ESHB 2082 - S COMM AMD By Committee on Ways & Means

## NOT ADOPTED 05/25/2011

Strike everything after the enacting clause and insert the following:

3 "<u>NEW SECTION.</u> Sec. 1. Intent. (1) The legislature finds that: 4 (a) Persons who have a long-term disability and apply for federal 5 supplemental security income benefits should receive assistance while 6 their application for federal benefits is pending, with repayment from 7 the federal government of state-funded income assistance paid through 8 the aged, blind, or disabled assistance program;

9 (b) Persons who are incapacitated from gainful employment for an 10 extended period, but who may not meet the level of severity of a long-11 term disability, are at increased risk of homelessness; and

(c) Persons who are homeless and suffering from significant medical impairments, mental illness, or chemical dependency face substantial barriers to successful participation in, and completion of, needed medical or behavioral health treatment services. Stable housing increases the likelihood of compliance with and completion of treatment.

18

(2) Through this act, the legislature intends to:

(a) Terminate all components of the disability lifeline program created in 2010 and codified in RCW 74.04.005 and create new programs: (i) To provide financial grants through the aged, blind, and disabled assistance program and the pregnant women assistance program; and (ii) to provide services through the essential needs and housing support program; and

(b) Increase opportunities to utilize limited public funding, combined with private charitable and volunteer efforts to serve persons who are recipients of the benefits provided by the new programs created under this act. <u>NEW SECTION.</u> Sec. 2. Effective October 31, 2011, the disability lifeline program, as defined under chapter 74.04 RCW, is terminated and all benefits provided under that program shall expire and cease to exist.

<u>NEW SECTION.</u> Sec. 3. (1)(a) Effective November 1, 2011, the aged,
blind, or disabled assistance program shall provide financial grants to
persons in need who:

8 (i) Are not eligible to receive federal aid assistance, other than 9 basic food benefits transferred electronically and medical assistance;

10 (ii) Meet the eligibility requirements of subsection (3) of this 11 section; and

12 (iii) Are aged, blind, or disabled. For purposes of determining 13 eligibility for assistance for the aged, blind, or disabled assistance 14 program, the following definitions apply:

15

(A) "Aged" means age sixty-five or older.

16 (B) "Blind" means statutorily blind as defined for the purpose of 17 determining eligibility for the federal supplemental security income 18 program.

19 (C) "Disabled" means likely to meet the federal supplemental 20 security income disability standard. In making this determination, the 21 department should give full consideration to the cumulative impact of 22 an applicant's multiple impairments, an applicant's age, and vocational 23 and educational history but need not duplicate the full five-step 24 sequential review process set out in federal supplemental security 25 income regulations.

In determining whether a person is disabled, the department may rely on the following:

(I) A previous disability determination by the social security administration or the disability determination service entity within the department; or

(II) A determination that an individual is eligible to receive optional categorically needy medicaid as a disabled person under the federal regulations at 42 C.F.R. Parts 435, Secs. 201(a)(3) and 210.

34 (b) The following persons are not eligible for the aged, blind, or35 disabled assistance program:

(i) Persons who are not able to engage in gainful employment dueprimarily to alcohol or drug addiction. These persons shall be

referred to appropriate assessment, treatment, shelter, or supplemental 1 2 security income referral services as authorized under chapter 74.50 RCW. Referrals shall be made at the time of application or at the time 3 4 of eligibility review. This subsection may not be construed to prohibit the department from granting long-term disability assistance 5 benefits to alcoholics and drug addicts who are incapacitated due to б 7 other physical or mental conditions that meet the eligibility criteria 8 for the long-term disability assistance program; or

9 (ii) Persons for whom there has been a final determination by the 10 social security administration of ineligibility for federal 11 supplemental security income benefits.

12 (c) Persons may receive aged, blind, or disabled assistance 13 benefits pending application for federal supplemental security income 14 benefits. The monetary value of any aged, blind, or disabled 15 assistance benefit that is subsequently duplicated by the person's 16 receipt of supplemental security income for the same period shall be 17 considered a debt due the state and shall by operation of law be 18 subject to recovery through all available legal remedies.

19 (2) Effective November 1, 2011, the pregnant women assistance20 program shall provide financial grants to persons who:

(a) Are not eligible to receive federal aid assistance other than
 basic food benefits or medical assistance; or

(b) Are pregnant and in need, based upon the current income and resource standards of the federal temporary assistance for needy families program, but are ineligible for federal temporary assistance for needy families benefits for a reason other than failure to cooperate in program requirements; and

28 (c) Meet the eligibility requirements of subsection (3) of this 29 section.

30 (3) To be eligible for the aged, blind, or disabled assistance
31 program under subsection (1) of this section or the pregnant women
32 assistance program under subsection (2) of this section, a person must:

33 (a) Be a citizen or alien lawfully admitted for permanent residence
 34 or otherwise residing in the United States under color of law;

35 (b) Have furnished the department his or her social security 36 number. If the social security number cannot be furnished because it 37 has not been issued or is not known, an application for a number shall 1 be made prior to authorization of benefits, and the social security 2 number shall be provided to the department upon receipt;

(c) Have not refused or failed without good cause to participate in 3 drug or alcohol treatment if an assessment by a certified chemical 4 dependency counselor indicates a need for such treatment. Good cause 5 must be found to exist when a person's physical or mental condition, as б 7 determined by the department, prevents the person from participating in 8 drug or alcohol dependency treatment, when needed outpatient drug or alcohol treatment is not available to the person in the county of his 9 10 or her residence or when needed inpatient treatment is not available in a location that is reasonably accessible for the person; and 11

12 (d) Not have refused or failed to cooperate in obtaining federal13 aid assistance, without good cause.

14 (4) Effective November 1, 2011, referrals for essential needs and 15 housing support under section 4 of this act shall be provided to 16 persons found eligible for medical care services under RCW 74.09.035 17 who are not recipients of alcohol and addiction services provided under 18 chapter 74.50 RCW or are not recipients of aged, blind, or disabled 19 assistance.

20 (5) No person may be considered an eligible individual for benefits 21 under this section with respect to any month if during that month the 22 person:

(a) Is fleeing to avoid prosecution of, or to avoid custody or confinement for conviction of, a felony, or an attempt to commit a felony, under the laws of the state of Washington or the place from which the person flees; or

(b) Is violating a condition of probation, community supervision,
 or parole imposed under federal or state law for a felony or gross
 misdemeanor conviction.

30 (6) The department must review the cases of all persons, except 31 recipients of alcohol and addiction treatment under chapter 74.50 RCW, 32 or recipients of aged, blind, or disabled assistance, who have received 33 medical care services for twelve consecutive months, and at least 34 annually after the first review, to determine whether they are eligible 35 for the aged, blind, or disabled assistance program.

36 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 43.185C 37 RCW to read as follows:

Grants to local governments and community-based organizations for 1 2 essential needs and housing support. (1) The department shall distribute funds for the essential needs and housing support program 3 established under this section in a manner consistent with the 4 requirements of this section and the biennial operating budget. 5 The 6 first distribution of funds must be completed by September 1, 2011. 7 Essential needs or housing support is only for persons found eligible for such services under section 3(4) of this act and is not considered 8 9 an entitlement.

10 (2) The department shall distribute funds appropriated for the essential needs and housing support program in the form of grants to 11 12 designated essential needs support and housing support entities within 13 each county. The department shall not distribute any funds until it approves the expenditure plan submitted by the designated essential 14 needs support and housing support entities. The amount of funds to be 15 distributed pursuant to this section shall be designated in the 16 biennial operating budget. For the sole purpose of meeting the initial 17 distribution of funds date, the department may distribute partial 18 19 funds, as provided in the biennial operating budget, upon the department's approval of a preliminary expenditure plan. 20 The 21 department shall not distribute the remaining funds until it has 22 approved a final expenditure plan.

(3) As provided in the biennial operating budget, for the 2011-2013 23 24 biennium, a contingency fund shall be used solely for those clients who are at imminent risk of losing stable housing or at imminent risk of 25 26 losing one of the other services defined in section 7(6) of this act. 27 For purposes of this chapter, "imminent risk" means the client has written proof that he or she will lose his or her housing within the 28 next thirty days or that the services will be discontinued within the 29 30 next thirty days.

(4) For each county, the department shall designate an essential 31 32 needs support entity and a housing support entity that will begin providing these supports to essential needs and housing support program 33 recipients on November 1, 2011. Essential needs and housing support 34 35 entities are not required to provide assistance to every essential 36 needs and housing support recipient that is referred to the local 37 entity or who meets the priority standards in subsection (5)(c) of this section. 38

1 (a) Each designated entity must be a local government or 2 community-based organization, and may administer the funding for 3 essential needs support, housing support, or both. Designated entities 4 have the authority to subcontract with qualified entities. Upon 5 request, and the approval of the department, two or more counties may 6 combine resources to more effectively deliver services.

7 (b) The department's designation process must include a review of 8 proficiency in managing housing or human services programs when 9 designating housing support entities.

10 (c) Within a county, if the department directly awards separate 11 grants to the designated housing support entity and the designated 12 essential needs support entity, the department shall determine the 13 amount allocated for essential needs support as directed in the 14 biennial operating budget.

(5)(a) Essential needs and housing support entities must use funds distributed under this section as flexibly as is practicable to provide essential needs items and housing support to recipients of the essential needs and housing support program, subject to the requirements of this section.

(b) Benefits provided under the essential needs and housing support program shall not be provided to recipients in the form of cash assistance.

(c) The appropriations by the legislature for the purposes of the essential needs and housing support program established under this section shall be based on forecasted program caseloads. To the extent that actual caseloads are less than forecasted, the proportional amount of the appropriation shall lapse and remain unexpended. Savings resulting from program caseload attrition from forecasted levels shall not result in increased per-client expenditures.

30 (d) In awarding housing support, the designated housing support 31 entity shall provide housing support to clients who are homeless 32 persons as defined in RCW 43.185C.010.

(e) Essential needs and housing support entities must partner with other public and private organizations to maximize the beneficial impact of funds distributed under this section, and should attempt to leverage other sources of public and private funds to serve essential needs and housing support recipients. Funds appropriated in the operating budget for essential needs and housing support must be used
 only to serve persons eligible to receive services under that program.

3 (6) The department shall use no more than five percent of the funds
4 for administration of the essential needs and housing support program.
5 Each essential needs and housing support entity shall use no more than
6 seven percent of the funds for administrative expenses.

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(7) The department shall:

8 (a) Require housing support entities to enter data into the 9 homeless client management information system;

10 (b) Require essential needs support entities to report on services 11 provided under this section;

(c) In collaboration with the department of social and health services, submit a report annually to the relevant policy and fiscal committees of the legislature. A preliminary report shall be submitted by December 31, 2011, and must include (c)(i), (iii), and (v) of this subsection. Annual reports must be submitted beginning December 1, 2012, and must include:

18 (i) A description of the actions the department has taken to19 achieve the objectives of this act;

20 (ii) The amount of funds used by the department to administer the 21 program;

(iii) Information on the housing status of essential needs and housing support recipients served by housing support entities, and individuals referred for housing support by the department of social and health services, but not receiving services;

26 (iv) Grantee expenditure data related to administration and 27 services provided under this section; and

(v) Efforts made to partner with other entities and leveragesources or public and private funds;

(d) Review the data submitted by the designated entities, and make 30 recommendations 31 for program improvements and administrative 32 efficiencies. The department has the authority to designate alternative entities as necessary due to performance or other 33 significant issues. Such change must only be made after consultation 34 35 with the department of social and health services and the impacted entity. 36

37 (8) The department, counties, and essential needs and housing38 support entities are not civilly or criminally liable and may not have

any penalty or cause of action of any nature arise against them related 1 2 to decisions regarding: (a) The provision or lack of provision of housing or essential needs support; or (b) the type of housing 3 4 arrangement supported with funds allocated under this section, when the decision was made in good faith and in the performance of the powers 5 6 and duties under this section. However, this section does not prohibit 7 legal actions against the department, county, or essential needs or 8 housing support entity to enforce contractual duties or obligations.

9 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 43.185C 10 RCW to read as follows:

11 The department, in collaboration with the department of social and 12 health services, shall develop a mechanism through which the department 13 and local governments or community-based organizations can verify a 14 person has been determined eligible and remains eligible for medical 15 care services under RCW 74.09.035 by the department of social and 16 health services.

17 **Sec. 6.** RCW 74.09.035 and 2011 c 284 s 3 are each amended to read 18 as follows:

(1) To the extent of available funds, medical care services may be provided to ((recipients of disability lifeline benefits, persons denied disability lifeline benefits under RCW 74.04.005(5)(b) or 74.04.655 who otherwise meet the requirements of RCW 74.04.005(5)(a), and recipients of alcohol and drug addiction services provided under chapter 74.50 RCW, in accordance with medical eligibility requirements established by the department.)):

26 <u>(a) Persons who:</u>

(i) Are incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of ninety days as determined by the department. The standard for incapacity in this subsection, as evidenced by the ninety-day duration standard, is not intended to be as stringent as federal supplemental security income disability standards;

33 (ii) Are citizens or aliens lawfully admitted for permanent 34 residence or otherwise residing in the United States under color of 35 law;

(iii) Have furnished the department their social security number. 1 If the social security number cannot be furnished because it has not 2 been issued or is not known, an application for a number shall be made 3 prior to authorization of benefits, and the social security number 4 shall be provided to the department upon receipt; 5 (iv) Have countable income as described in RCW 74.04.005 at or б below four hundred twenty-eight dollars for a married couple or at or 7 below three hundred thirty-nine dollars for a single individual; and 8 9 (v) Do not have countable resources in excess of those described in RCW 74.04.005. 10 (b) Persons eligible for the aged, blind, or disabled assistance 11 program authorized in section 3 of this act and who are not eligible 12 13 for medicaid under RCW 74.09.510. (c) Persons eligible for alcohol and drug addiction services 14 provided under chapter 74.50 RCW, in accordance with medical 15 eligibility requirements established by the department. 16 (d) The following persons are not eligible for medical care 17 services: 18 (i) Persons who are unemployable due primarily to alcohol or drug 19 addiction, except as provided in (c) of this subsection. These persons 20 21 shall be referred to appropriate assessment, treatment, shelter, or supplemental security income referral services as authorized under 22 chapter 74.50 RCW. Referrals shall be made at the time of application 23 or at the time of eligibility review. This subsection shall not be 24 construed to prohibit the department from granting medical care 25 26 services benefits to alcoholics and drug addicts who are incapacitated due to other physical or mental conditions that meet the eligibility 27 criteria for medical care services; 28 (ii) Persons who refuse or fail to cooperate in obtaining federal 29 30 aid assistance, without good cause; (iii) Persons who refuse or fail without good cause to participate 31 in drug or alcohol treatment if an assessment by a certified chemical 32 dependency counselor indicates a need for such treatment. Good cause 33 must be found to exist when a person's physical or mental condition, as 34 determined by the department, prevents the person from participating in 35 36 drug or alcohol dependency treatment, when needed outpatient drug or alcohol treatment is not available to the person in the county of his 37

1 or her residence or when needed inpatient treatment is not available in
2 a location that is reasonably accessible for the person; and

3 (iv) Persons who are fleeing to avoid prosecution of, or to avoid 4 custody or confinement for conviction of, a felony, or an attempt to 5 commit a felony, under the laws of the state of Washington or the place 6 from which the person flees; or who are violating a condition of 7 probation, community supervision, or parole imposed under federal or 8 state law for a felony or gross misdemeanor conviction.

9 <u>(e) For purposes of determining whether a person is incapacitated</u> 10 <u>from gainful employment under (a) of this subsection:</u>

(i) The department shall adopt by rule medical criteria for incapacity determinations to ensure that eligibility decisions are consistent with statutory requirements and are based on clear, objective medical information; and

15 (ii) The process implementing the medical criteria shall involve 16 consideration of opinions of the treating or consulting physicians or 17 health care professionals regarding incapacity, and any eligibility 18 decision which rejects uncontroverted medical opinion must set forth 19 clear and convincing reasons for doing so.

20 (f) For purposes of reviewing a person's continuing eligibility and 21 in order to remain eligible for the program, persons who have been 22 found to have an incapacity from gainful employment must demonstrate 23 that there has been no material improvement in their medical or mental 24 health condition. The department may discontinue benefits when there 25 was specific error in the prior determination that found the person 26 eligible by reason of incapacitation.

27 (2) Enrollment in medical care services may not result in expenditures that exceed the amount that has been appropriated in the 28 operating budget. If it appears that continued enrollment will result 29 30 in expenditures exceeding the appropriated level for a particular fiscal year, the department may freeze new enrollment and establish a 31 32 waiting list of ((eligible)) persons who may receive benefits only when sufficient funds are available. ((Upon implementation of a federal 33 medicaid 1115 waiver providing federal matching funds for medical care 34 35 services, persons subject to termination of disability lifeline 36 benefits under RCW 74.04.005(5)(h) remain enrolled in medical care services and persons subject to denial of disability lifeline benefits 37 38 under RCW 74.04.005(5)(h) remain eligible for medical care services.

1 (2))) (3) Determination of the amount, scope, and duration of 2 medical care services shall be limited to coverage as defined by the 3 department, except that adult dental, and routine foot care shall not 4 be included unless there is a specific appropriation for these 5 services.

6 ((<del>(3)</del>)) <u>(4)</u> The department shall enter into performance-based 7 contracts with one or more managed health care systems for the 8 provision of medical care services ((<del>to recipients of disability</del> 9 <del>lifeline benefits</del>)) <u>under this section</u>. The contract must provide for 10 integrated delivery of medical and mental health services.

11 (((4))) (5) The department shall establish standards of assistance 12 and resource and income exemptions, which may include deductibles and 13 co- insurance provisions. In addition, the department may include a 14 prohibition against the voluntary assignment of property or cash for 15 the purpose of qualifying for assistance.

16 (((5))) (6) Residents of skilled nursing homes, intermediate care 17 facilities, and intermediate care facilities for persons with 18 intellectual disabilities, as that term is described by federal law, 19 who are eligible for medical care services shall be provided medical 20 services to the same extent as provided to those persons eligible under 21 the medical assistance program.

((<del>(6)</del> Eligibility for medical care services shall commence with the date of certification for disability lifeline benefits or the date of eligibility for alcohol and drug addiction services provided under chapter 74.50 RCW.))

26 (7) Eligibility for medical care services shall commence with the 27 date of certification for medical services, date of eligibility for the 28 aged, blind, or disabled assistance program provided under section 3 of 29 this act, or the date or eligibility for alcohol and drug addiction 30 services provided under chapter 74.50 RCW.

31 <u>NEW SECTION.</u> Sec. 7. For the purposes of this chapter, unless the 32 context indicates otherwise, the following definitions shall apply:

33 (1) "Aged, blind, and disabled assistance program" means the 34 program established under section 3 of this act.

35 (2) "Department" means the department of social and health 36 services. (3) "Director" or "secretary" means the secretary of social and
 health services.

3 (4) "Essential needs and housing support program" means the program
4 established under section 4 of this act.

5 (5) "Essential needs support" means personal health and hygiene 6 items, cleaning supplies, other necessary items and transportation 7 passes or tokens provided through an essential needs support entity 8 established under section 4 of this act.

9 (6) "Housing support" means assistance provided by a designated 10 housing support entity established under section 4 of this act to 11 maintain existing housing when the client is at imminent risk of 12 becoming homeless, to obtain housing, or to obtain heat, electricity, 13 natural gas, sewer, garbage, and water services when the client is at 14 imminent risk of losing these services.

15 (7) "Pregnant women assistance program" means the program 16 established under section 3 of this act.

17 (8) In the construction of words and phrases used in this chapter, 18 the singular number shall include the plural, the masculine gender 19 shall include both the feminine and neuter genders, and the present 20 tense shall include the past and future tenses, unless the context 21 thereof shall clearly indicate to the contrary.

Sec. 8. RCW 74.04.005 and 2010 1st sp.s. c 8 s 4 are each amended to read as follows:

For the purposes of this title, unless the context indicates otherwise, the following definitions shall apply:

(1) "Public assistance" or "assistance"((--)) <u>means public</u> aid to persons in need thereof for any cause, including services, medical care, assistance grants, disbursing orders, work relief, ((<del>disability</del> <del>lifeline</del>)) benefits <u>under sections 3 and 4 of this act</u>, and federal aid assistance.

31 (2) "Department"((--)) <u>means the department of social and health</u> 32 services.

(3) "County or local office" ((--)) means the administrative office
 for one or more counties or designated service areas.

35 (4) "Director" or "secretary" means the secretary of social and 36 health services.

- (5) "((Disability lifeline)) Essential needs and housing support
   program" means ((a program that provides aid and support in accordance
   with the conditions set out in this subsection.
- 4 (a) Aid and assistance shall be provided to persons who are not
  5 eligible to receive federal aid assistance, other than basic food
  6 benefits transferred electronically and medical assistance and meet one
  7 of the following conditions:
- 8 (i) Are pregnant and in need, based upon the current income and 9 resource requirements of the federal temporary assistance for needy 10 families program; or
- (ii) Are incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of ninety days as determined by the department. The standard for incapacity in this subsection, as evidenced by the ninety-day duration standard, is not intended to be as stringent as federal supplemental security income disability standards; and
- 17 (A) Are citizens or aliens lawfully admitted for permanent 18 residence or otherwise residing in the United States under color of 19 law;
- 20 (B) Have furnished the department their social security number. If 21 the social security number cannot be furnished because it has not been 22 issued or is not known, an application for a number shall be made prior 23 to authorization of benefits, and the social security number shall be 24 provided to the department upon receipt;
- 25 (C) Have not refused or failed without good cause to participate in 26 drug or alcohol treatment if an assessment by a certified chemical dependency counselor indicates a need for such treatment. Good cause 27 must be found to exist when a person's physical or mental condition, as 28 determined by the department, prevents the person from participating in 29 drug or alcohol dependency treatment, when needed outpatient drug or 30 31 alcohol treatment is not available to the person in the county of his or her residence or when needed inpatient treatment is not available in 32 33 a location that is reasonably accessible for the person; and
- 34 (D) Have not refused or failed without good cause to participate in 35 vocational rehabilitation services, if an assessment conducted under 36 RCW 74.04.655 indicates that the person might benefit from such 37 services. Good cause must be found to exist when a person's physical 38 or mental condition, as determined by the department, prevents the

person from participating in vocational rehabilitation services, or when vocational rehabilitation services are not available to the person in the county of his or her residence.

(b)(i) Persons who initially apply and are found eligible for 4 disability lifeline benefits based upon incapacity from gainful 5 б employment under (a) of this subsection on or after September 2, 2010, 7 who are homeless and have been assessed as needing chemical dependency or mental health treatment or both, must agree, as a condition of 8 9 eligibility for the disability lifeline program, to accept a housing voucher in lieu of a cash grant if a voucher is available. The 10 11 department shall establish the dollar value of the housing voucher. The dollar value of the housing voucher may differ from the value of 12 the cash grant. Persons receiving a housing voucher under this 13 subsection also shall receive a cash stipend of fifty dollars per 14 15 month.

16 (ii) If the department of commerce has determined under RCW 17 43.330.175 that sufficient housing is not available, persons described 18 in this subsection who apply for disability lifeline benefits during 19 the time period that housing is not available shall receive a cash 20 grant in lieu of a cash stipend and housing voucher.

21 (iii) Persons who refuse to accept a housing voucher under this 22 subsection but otherwise meet the eligibility requirements of (a) of 23 this subsection are eligible for medical care services benefits under 24 RCW 74.09.035, subject to the time limits in (h) of this subsection.

25 (c) The following persons are not eligible for the disability
26 lifeline program:

27 (i) Persons who are unemployable due primarily to alcohol or drug addiction. These persons shall be referred to appropriate assessment, 28 treatment, shelter, or supplemental security income referral services 29 as authorized under chapter 74.50 RCW. Referrals shall be made at the 30 31 time of application or at the time of eligibility review. This 32 subsection shall not be construed to prohibit the department from granting disability lifeline benefits to alcoholics and drug addicts 33 who are incapacitated due to other physical or mental conditions that 34 meet the eligibility criteria for the disability lifeline program; 35

36 (ii) Persons who refuse or fail to cooperate in obtaining federal 37 aid assistance, without good cause. 1 (d) Disability lifeline benefits shall be provided only to persons who are not members of assistance units receiving federal aid 2 assistance, except as provided in (a) of this subsection, and who will 3 accept available services that can reasonably be expected to enable the 4 5 person to work or reduce the need for assistance unless there is good б cause to refuse. Failure to accept such services shall result in 7 termination until the person agrees to cooperate in accepting such services and subject to the following maximum periods of ineligibility 8 9 after reapplication:

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(i) First failure: One week;

11 (ii) Second failure within six months: One month;

12 (iii) Third and subsequent failure within one year: Two months.

(e) Persons who are likely eligible for federal supplemental 13 security income benefits shall be moved into the disability lifeline 14 expedited component of the disability lifeline program. Persons placed 15 in the expedited component of the program may, if otherwise eligible, 16 receive disability lifeline benefits pending application for federal 17 supplemental security income benefits. The monetary value of any 18 disability lifeline benefit that is subsequently duplicated by the 19 person's receipt of supplemental security income for the same period 20 21 shall be considered a debt due the state and shall by operation of law 22 be subject to recovery through all available legal remedies.

23 (f) For purposes of determining whether a person is incapacitated 24 from gainful employment under (a) of this subsection:

25 (i) The department shall adopt by rule medical criteria for 26 disability lifeline incapacity determinations to ensure that 27 eligibility decisions are consistent with statutory requirements and 28 are based on clear, objective medical information; and

29 (ii) The process implementing the medical criteria shall involve 30 consideration of opinions of the treating or consulting physicians or 31 health care professionals regarding incapacity, and any eligibility 32 decision which rejects uncontroverted medical opinion must set forth 33 clear and convincing reasons for doing so.

34 (g) Persons receiving disability lifeline benefits based upon a 35 finding of incapacity from gainful employment who remain otherwise 36 eligible shall have their benefits discontinued unless the recipient 37 demonstrates no material improvement in their medical or mental health 1 condition. The department may discontinue benefits when there was specific error in the prior determination that found the person 2 eligible by reason of incapacitation. 3

4 (h)(i) Beginning September 1, 2010, no person who is currently receiving or becomes eligible for disability lifeline program benefits 5 б shall be eligible to receive benefits under the program for more than 7 twenty-four months in a sixty-month period. For purposes of this subsection, months of receipt of general assistance-unemployable 8 9 benefits count toward the twenty-four month limit. Months during which a person received benefits under the expedited component of the 10 11 disability lifeline or general assistance program or under the aged, blind, or disabled component of the disability lifeline or general 12 13 assistance program shall not be included when determining whether a person has been receiving benefits for more than twenty-four months. 14 On or before July 1, 2010, the department must review the cases of all 15 persons who have received disability lifeline benefits or general 16 assistance unemployable benefits for at least twenty months as of that 17 date. On or before September 1, 2010, the department must review the 18 cases of all remaining persons who have received disability lifeline 19 benefits for at least twelve months as of that date. The review should 20 21 determine whether the person meets the federal supplemental security income disability standard and, if the person does not meet that 22 standard, whether the receipt of additional services could lead to 23 24 employability. If a need for additional services is identified, the 25 department shall provide case management services, such as assistance 26 with arranging transportation or locating stable housing, that will 27 facilitate the person's access to needed services. A person may not be determined ineligible due to exceeding the time limit unless he or she 28 has received a case review under this subsection finding that the 29 person does not meet the federal supplemental security income 30 31 disability standard.

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(ii) The time limits established under this subsection expire June 30, 2013.

(i) No person may be considered an eligible individual for 34 35 disability lifeline benefits with respect to any month if during that 36 month the person:

37 (i) Is fleeing to avoid prosecution of, or to avoid custody or 1 confinement for conviction of, a felony, or an attempt to commit a
2 felony, under the laws of the state of Washington or the place from
3 which the person flees; or

4 (ii) Is violating a condition of probation, community supervision,
5 or parole imposed under federal or state law for a felony or gross
6 misdemeanor conviction)) the program established in section 4 of this
7 act.

8 (6) (("Disability lifeline expedited" means a component of the 9 disability lifeline program under which persons receiving disability 10 lifeline benefits have been determined, after examination by an 11 appropriate health care provider, to be likely to be eligible for 12 federal supplemental security income benefits based on medical and 13 behavioral health evidence that meets the disability standards used for 14 the federal supplemental security income program.

15 (7)) "Aged, blind, or disabled assistance program" means the 16 program established under section 3 of this act.

17 (7) "Federal aid assistance"((-)) <u>means the specific categories of</u> 18 assistance for which provision is made in any federal law existing or 19 hereafter passed by which payments are made from the federal government 20 to the state in aid or in respect to payment by the state for public 21 assistance rendered to any category of needy persons for which 22 provision for federal funds or aid may from time to time be made, or a 23 federally administered needs-based program.

(8) "Applicant"((--)) means any person who has made a request, or
 on behalf of whom a request has been made, to any county or local
 office for assistance.

(9) "Recipient"((--)) means any person receiving assistance and in addition those dependents whose needs are included in the recipient's assistance.

30 (10) "Standards of assistance"((--)) means the level of income 31 required by an applicant or recipient to maintain a level of living 32 specified by the department.

(11) "Resource"((--)) <u>means any</u> asset, tangible or intangible, owned by or available to the applicant at the time of application, which can be applied toward meeting the applicant's need, either directly or by conversion into money or its equivalent. The department may by rule designate resources that an applicant may retain and not be ineligible for public assistance because of such resources. Exempt
 resources shall include, but are not limited to:

3 (a) A home that an applicant, recipient, or their dependents is
4 living in, including the surrounding property;

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(b) Household furnishings and personal effects;

6 (c) A motor vehicle, other than a motor home, used and useful 7 having an equity value not to exceed five thousand dollars;

8 (d) A motor vehicle necessary to transport a household member with 9 a physical disability. This exclusion is limited to one vehicle per 10 person with a physical disability;

(e) All other resources, including any excess of values exempted, not to exceed one thousand dollars or other limit as set by the department, to be consistent with limitations on resources and exemptions necessary for federal aid assistance. The department shall also allow recipients of temporary assistance for needy families to exempt savings accounts with combined balances of up to an additional three thousand dollars;

(f) Applicants for or recipients of ((disability lifeline)) benefits <u>under sections 3 and 4 of this act</u> shall have their eligibility based on resource limitations consistent with the temporary assistance for needy families program rules adopted by the department; and

23 (g) If an applicant for or recipient of public assistance possesses 24 property and belongings in excess of the ceiling value, such value shall be used in determining the need of the applicant or recipient, 25 26 except that: (i) The department may exempt resources or income when 27 the income and resources are determined necessary to the applicant's or recipient's restoration to independence, to decrease the need for 28 public assistance, or to aid in rehabilitating the applicant or 29 30 recipient or a dependent of the applicant or recipient; and (ii) the department may provide grant assistance for a period not to exceed nine 31 32 months from the date the agreement is signed pursuant to this section to persons who are otherwise ineligible because of excess real property 33 34 owned by such persons when they are making a good faith effort to 35 dispose of that property((: PROVIDED, That)) if:

36 (A) The applicant or recipient signs an agreement to repay the
 37 lesser of the amount of aid received or the net proceeds of such sale;

1 (B) If the owner of the excess property ceases to make good faith 2 efforts to sell the property, the entire amount of assistance may 3 become an overpayment and a debt due the state and may be recovered 4 pursuant to RCW 43.20B.630;

5 (C) Applicants and recipients are advised of their right to a fair 6 hearing and afforded the opportunity to challenge a decision that good 7 faith efforts to sell have ceased, prior to assessment of an 8 overpayment under this section; and

9 (D) At the time assistance is authorized, the department files a 10 lien without a sum certain on the specific property.

11

(12) "Income"((--)) <u>means:</u>

12 (a) All appreciable gains in real or personal property (cash or 13 kind) or other assets, which are received by or become available for use and enjoyment by an applicant or recipient during the month of 14 application or after applying for or receiving public assistance. The 15 department may by rule and regulation exempt income received by an 16 applicant for or recipient of public assistance which can be used by 17 him or her to decrease his or her need for public assistance or to aid 18 19 in rehabilitating him or her or his or her dependents, but such exemption shall not, unless otherwise provided in this title, exceed 20 21 the exemptions of resources granted under this chapter to an applicant 22 for public assistance. In addition, for cash assistance the department 23 may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

(b) If, under applicable federal requirements, the state has the option of considering property in the form of lump sum compensatory awards or related settlements received by an applicant or recipient as income or as a resource, the department shall consider such property to be a resource.

(13) "Need"((--)) means the difference between the applicant's or recipient's standards of assistance for himself or herself and the dependent members of his or her family, as measured by the standards of the department, and value of all nonexempt resources and nonexempt income received by or available to the applicant or recipient and the dependent members of his or her family.

35 (14) For purposes of determining eligibility for public assistance 36 and participation levels in the cost of medical care, the department 37 shall exempt restitution payments made to people of Japanese and Aleut ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian
 and Pribilof Island Restitution Act passed by congress, P.L. 100-383,
 including all income and resources derived therefrom.

4 (15) In the construction of words and phrases used in this title, 5 the singular number shall include the plural, the masculine gender 6 shall include both the feminine and neuter genders, and the present 7 tense shall include the past and future tenses, unless the context 8 thereof shall clearly indicate to the contrary.

9 Sec. 9. RCW 74.09.510 and 2010 c 94 s 24 are each amended to read 10 as follows:

Medical assistance may be provided in accordance with eligibility requirements established by the department, as defined in the social security Title XIX state plan for mandatory categorically needy persons and:

(1) Individuals who would be eligible for cash assistance exceptfor their institutional status;

17 (2) Individuals who are under twenty-one years of age, who would be 18 eligible for medicaid, but do not qualify as dependent children and who 19 are in (a) foster care, (b) subsidized adoption, (c) a nursing facility 20 or an intermediate care facility for persons with intellectual 21 disabilities, or (d) inpatient psychiatric facilities;

22 (3) Individuals who:

23 (a) Are under twenty-one years of age;

(b) On or after July 22, 2007, were in foster care under the legal
responsibility of the department or a federally recognized tribe
located within the state; and

(c) On their eighteenth birthday, were in foster care under the legal responsibility of the department or a federally recognized tribe located within the state;

30 (4) Persons who are aged, blind, or disabled who: (a) Receive only 31 a state supplement, or (b) would not be eligible for cash assistance if 32 they were not institutionalized;

33 (5) Categorically eligible individuals who meet the income and 34 resource requirements of the cash assistance programs;

(6) Individuals who are enrolled in managed health care systems,who have otherwise lost eligibility for medical assistance, but who

have not completed a current six-month enrollment in a managed health care system, and who are eligible for federal financial participation under Title XIX of the social security act;

4 (7) Children and pregnant women allowed by federal statute for whom5 funding is appropriated;

6 (8) Working individuals with disabilities authorized under section
7 1902(a)(10)(A)(ii) of the social security act for whom funding is
8 appropriated;

9 (9) Other individuals eligible for medical services under RCW 10 74.09.035 <u>based on age, blindness, or disability and income and</u> 11 <u>resources standards for medical care services</u> and 74.09.700 for whom 12 federal financial participation is available under Title XIX of the 13 social security act;

14 (10) Persons allowed by section 1931 of the social security act for 15 whom funding is appropriated; and

(11) Women who: (a) Are under sixty-five years of age; (b) have 16 17 been screened for breast and cervical cancer under the national breast and cervical cancer early detection program administered by the 18 department of health or tribal entity and have been identified as 19 needing treatment for breast or cervical cancer; and (c) are not 20 21 otherwise covered by health insurance. Medical assistance provided 22 under this subsection is limited to the period during which the woman 23 requires treatment for breast or cervical cancer, and is subject to any 24 conditions or limitations specified in the omnibus appropriations act.

25 **Sec. 10.** RCW 74.50.055 and 1989 1st ex.s. c 18 s 4 are each 26 amended to read as follows:

(1) A person shall not be eligible for treatment services underthis chapter unless he or she:

(a) Meets the ((financial)) income and resource eligibility requirements ((contained in RCW 74.04.005)) for the medical care services program under RCW 74.09.035(1)(a)(iv) and (v); and

32 (b) Is incapacitated from gainful employment, which incapacity will33 likely continue for a minimum of sixty days.

34 (2) First priority for receipt of treatment services shall be given35 to pregnant women and parents of young children.

36 (3) In order to rationally allocate treatment services, the 37 department may establish by rule caseload ceilings and additional eligibility criteria, including the setting of priorities among classes
 of persons for the receipt of treatment services. Any such rules shall
 be consistent with any conditions or limitations contained in any
 appropriations for treatment services.

5 Sec. 11. RCW 70.96A.530 and 2010 1st sp.s. c 8 s 10 are each 6 amended to read as follows:

7 If an assessment by a certified chemical dependency counselor indicates a need for drug or alcohol treatment, in order to enable a 8 9 person receiving ((disability lifeline)) benefits under sections 3 and 10 4 of this act to improve his or her health status and transition from 11 ((disability lifeline)) those benefits to employment, or transition to 12 federal disability benefits, the person must be given high priority for 13 enrollment in treatment, within funds appropriated for that treatment. 14 However, first priority for receipt of treatment services must be given to pregnant women and parents of young children. This section expires 15 16 June 30, 2013. ((Persons who are terminated from disability lifeline 17 benefits under RCW 74.04.005(5)(h) and are actively engaged in chemical 18 dependency treatment during the month they are terminated shall be provided the opportunity to complete their current course of 19 20 treatment.))

21 **Sec. 12.** RCW 10.101.010 and 2010 1st sp.s. c 8 s 12 are each 22 amended to read as follows:

23 The following definitions shall be applied in connection with this 24 chapter:

25 (1) "Indigent" means a person who, at any stage of a court 26 proceeding, is:

27 (a) Receiving one of the following types of public assistance: 28 Temporary assistance for needy families, ((disability lifeline)) aged, blind, or disabled assistance benefits, medical care services under RCW 29 74.09.035, pregnant women assistance benefits, poverty-related 30 veterans' benefits, food stamps or food stamp benefits transferred 31 resettlement electronically, refugee benefits, 32 medicaid, or 33 supplemental security income; or

34 (b) Involuntarily committed to a public mental health facility; or35 (c) Receiving an annual income, after taxes, of one hundred twenty-

1 five percent or less of the current federally established poverty
2 level; or

3 (d) Unable to pay the anticipated cost of counsel for the matter
4 before the court because his or her available funds are insufficient to
5 pay any amount for the retention of counsel.

6 (2) "Indigent and able to contribute" means a person who, at any 7 stage of a court proceeding, is unable to pay the anticipated cost of 8 counsel for the matter before the court because his or her available 9 funds are less than the anticipated cost of counsel but sufficient for 10 the person to pay a portion of that cost.

11 (3) "Anticipated cost of counsel" means the cost of retaining 12 private counsel for representation on the matter before the court.

13 (4) "Available funds" means liquid assets and disposable net 14 monthly income calculated after provision is made for bail obligations. 15 For the purpose of determining available funds, the following 16 definitions shall apply:

(a) "Liquid assets" means cash, savings accounts, bank accounts, stocks, bonds, certificates of deposit, equity in real estate, and equity in motor vehicles. A motor vehicle necessary to maintain employment and having a market value not greater than three thousand dollars shall not be considered a liquid asset.

(b) "Income" means salary, wages, interest, dividends, and other earnings which are reportable for federal income tax purposes, and cash payments such as reimbursements received from pensions, annuities, social security, and public assistance programs. It includes any contribution received from any family member or other person who is domiciled in the same residence as the defendant and who is helping to defray the defendant's basic living costs.

(c) "Disposable net monthly income" means the income remaining each month after deducting federal, state, or local income taxes, social security taxes, contributory retirement, union dues, and basic living costs.

33 (d) "Basic living costs" means the average monthly amount spent by 34 the defendant for reasonable payments toward living costs, such as 35 shelter, food, utilities, health care, transportation, clothing, loan 36 payments, support payments, and court-imposed obligations. Sec. 13. RCW 13.34.030 and 2011 c 330 s 3 and 2011 c 309 s 22 are each reenacted and amended to read as follows:

3 For purposes of this chapter:

4 (1) "Abandoned" means when the child's parent, guardian, or other custodian has expressed, either by statement or conduct, an intent to 5 forego, for an extended period, parental rights or responsibilities б 7 despite an ability to exercise such rights and responsibilities. Ιf 8 the court finds that the petitioner has exercised due diligence in attempting to locate the parent, no contact between the child and the 9 10 child's parent, guardian, or other custodian for a period of three months creates a rebuttable presumption of abandonment, even if there 11 12 is no expressed intent to abandon.

13

(2) "Child," "juvenile," and "youth" means:

14 (a) Any individual under the age of eighteen years; or

(b) Any individual age eighteen to twenty-one years who is eligible to receive and who elects to receive the extended foster care services authorized under RCW 74.13.031. A youth who remains dependent and who receives extended foster care services under RCW 74.13.031 shall not be considered a "child" under any other statute or for any other purpose.

(3) "Current placement episode" means the period of time that begins with the most recent date that the child was removed from the home of the parent, guardian, or legal custodian for purposes of placement in out-of-home care and continues until: (a) The child returns home; (b) an adoption decree, a permanent custody order, or guardianship order is entered; or (c) the dependency is dismissed, whichever occurs first.

27 (4) "Department" means the department of social and health 28 services.

(5) "Dependency guardian" means the person, nonprofit corporation, or Indian tribe appointed by the court pursuant to this chapter for the limited purpose of assisting the court in the supervision of the dependency.

33 (

(6) "Dependent child" means any child who:

34 (a) Has been abandoned;

35 (b) Is abused or neglected as defined in chapter 26.44 RCW by a 36 person legally responsible for the care of the child;

37 (c) Has no parent, guardian, or custodian capable of adequately

1 caring for the child, such that the child is in circumstances which 2 constitute a danger of substantial damage to the child's psychological 3 or physical development; or

4 (d) Is receiving extended foster care services, as authorized by 5 RCW 74.13.031.

6 (7) "Developmental disability" means a disability attributable to 7 intellectual disability, cerebral palsy, epilepsy, autism, or another 8 neurological or other condition of an individual found by the secretary to be closely related to an intellectual disability or to require 9 10 treatment similar to that required for individuals with intellectual disabilities, which disability originates before the individual attains 11 age eighteen, which has continued or can be expected to continue 12 13 indefinitely, and which constitutes a substantial limitation to the 14 individual.

(8) "Guardian" means the person or agency that: (a) Has been appointed as the guardian of a child in a legal proceeding, including a guardian appointed pursuant to chapter 13.36 RCW; and (b) has the legal right to custody of the child pursuant to such appointment. The term "guardian" does not include a "dependency guardian" appointed pursuant to a proceeding under this chapter.

21 (9) "Guardian ad litem" means a person, appointed by the court to 22 represent the best interests of a child in a proceeding under this 23 chapter, or in any matter which may be consolidated with a proceeding 24 under this chapter. A "court-appointed special advocate" appointed by the court to be the guardian ad litem for the child, or to perform 25 26 substantially the same duties and functions as a guardian ad litem, 27 shall be deemed to be guardian ad litem for all purposes and uses of 28 this chapter.

(10) "Guardian ad litem program" means a court-authorized volunteer program, which is or may be established by the superior court of the county in which such proceeding is filed, to manage all aspects of volunteer guardian ad litem representation for children alleged or found to be dependent. Such management shall include but is not limited to: Recruitment, screening, training, supervision, assignment, and discharge of volunteers.

36 (11) "Housing assistance" means appropriate referrals by the 37 department or other supervising agencies to federal, state, local, or 38 private agencies or organizations, assistance with forms, applications,

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or financial subsidies or other monetary assistance for housing. For purposes of this chapter, "housing assistance" is not a remedial service or time-limited family reunification service as described in RCW 13.34.025(2).

5 (12) "Indigent" means a person who, at any stage of a court 6 proceeding, is:

7 (a) Receiving one of the following types of public assistance: Temporary assistance for needy families, ((disability lifeline)) aged, 8 blind, or disabled assistance benefits, medical care services under RCW 9 74.09.035, pregnant women assistance benefits, poverty-related 10 veterans' benefits, food stamps or food stamp benefits transferred 11 12 electronically, refugee resettlement benefits, medicaid, or 13 supplemental security income; or

14

(b) Involuntarily committed to a public mental health facility; or

15 (c) Receiving an annual income, after taxes, of one hundred twenty-16 five percent or less of the federally established poverty level; or

(d) Unable to pay the anticipated cost of counsel for the matter before the court because his or her available funds are insufficient to pay any amount for the retention of counsel.

(13) "Out-of-home care" means placement in a foster family home or group care facility licensed pursuant to chapter 74.15 RCW or placement in a home, other than that of the child's parent, guardian, or legal custodian, not required to be licensed pursuant to chapter 74.15 RCW.

(14) "Preventive services" means preservation services, as defined
in chapter 74.14C RCW, and other reasonably available services,
including housing assistance, capable of preventing the need for outof-home placement while protecting the child.

(15) "Shelter care" means temporary physical care in a facility licensed pursuant to RCW 74.15.030 or in a home not required to be licensed pursuant to RCW 74.15.030.

(16) "Sibling" means a child's birth brother, birth sister, adoptive brother, adoptive sister, half-brother, or half-sister, or as defined by the law or custom of the Indian child's tribe for an Indian child as defined in ((section 4 of this act)) <u>RCW 13.--.-- (section 4,</u> <u>chapter 309, Laws of 2011)</u>.

36 (17) "Social study" means a written evaluation of matters relevant 37 to the disposition of the case and shall contain the following 38 information:

(a) A statement of the specific harm or harms to the child that 1 2 intervention is designed to alleviate;

(b) A description of the specific services and activities, for both 3 the parents and child, that are needed in order to prevent serious harm 4 to the child; the reasons why such services and activities are likely 5 to be useful; the availability of any proposed services; and the б 7 agency's overall plan for ensuring that the services will be delivered. 8 The description shall identify the services chosen and approved by the 9 parent;

10 (c) If removal is recommended, a full description of the reasons why the child cannot be protected adequately in the home, including a 11 12 description of any previous efforts to work with the parents and the 13 child in the home; the in-home treatment programs that have been 14 considered and rejected; the preventive services, including housing assistance, that have been offered or provided and have failed to 15 prevent the need for out-of-home placement, unless the health, safety, 16 17 and welfare of the child cannot be protected adequately in the home; and the parents' attitude toward placement of the child; 18

(d) A statement of the likely harms the child will suffer as a 19 result of removal; 20

21 (e) A description of the steps that will be taken to minimize the 22 harm to the child that may result if separation occurs including an assessment of the child's relationship and emotional bond with any 23 24 siblings, and the agency's plan to provide ongoing contact between the child and the child's siblings if appropriate; and 25

26 (f) Behavior that will be expected before determination that 27 supervision of the family or placement is no longer necessary.

28 (18) "Supervising agency" means an agency licensed by the state under RCW 74.15.090, or licensed by a federally recognized Indian tribe 29 located in this state under RCW 74.15.190, that has entered into a 30 performance-based contract with the department to provide case 31 32 management for the delivery and documentation of child welfare services as defined in RCW 74.13.020. 33

(19) "Extended foster care services" means residential and other 34 35 support services the department is authorized to provide under RCW 36 74.13.031.

1 Sec. 14. RCW 26.19.071 and 2010 1st sp.s. c 8 s 14 are each
2 amended to read as follows:

3 (1) **Consideration of all income.** All income and resources of each 4 parent's household shall be disclosed and considered by the court when 5 the court determines the child support obligation of each parent. Only 6 the income of the parents of the children whose support is at issue 7 shall be calculated for purposes of calculating the basic support 8 obligation. Income and resources of any other person shall not be 9 included in calculating the basic support obligation.

10 (2) **Verification of income.** Tax returns for the preceding two 11 years and current paystubs shall be provided to verify income and 12 deductions. Other sufficient verification shall be required for income 13 and deductions which do not appear on tax returns or paystubs.

(3) Income sources included in gross monthly income. Except as
 specifically excluded in subsection (4) of this section, monthly gross
 income shall include income from any source, including:

17 (a) Salaries;

- 18 (b) Wages;
- 19 (c) Commissions;
- 20 (d) Deferred compensation;

21 (e) Overtime, except as excluded for income in subsection 22 (4)((<del>(h)</del>)) <u>(i)</u> of this section;

- 23
- (f) Contract-related benefits;

24 (g) Income from second jobs, except as excluded for income in 25 subsection (4)((<del>(h)</del>)) <u>(i)</u> of this section;

- 26 (h) Dividends;
- 27 (i) Interest;
- 28 (j) Trust income;
- 29 (k) Severance pay;
- 30 (1) Annuities;
- 31 (m) Capital gains;
- 32 (n) Pension retirement benefits;
- 33 (o) Workers' compensation;
- 34 (p) Unemployment benefits;
- 35 (q) Maintenance actually received;
- 36 (r) Bonuses;
- 37 (s) Social security benefits;
- 38 (t) Disability insurance benefits; and

Income from self-employment, rent, royalties, contracts, 1 (u) proprietorship of a business, or joint ownership of a partnership or 2 3 closely held corporation.

(4) Income sources excluded from gross monthly income. 4 The following income and resources shall be disclosed but shall not be 5 included in gross income: б

7 (a) Income of a new spouse or new domestic partner or income of 8 other adults in the household;

(b) Child support received from other relationships;

9

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(c) Gifts and prizes;

(d) Temporary assistance for needy families; 11

12 (e) Supplemental security income;

13 (f) ((Disability lifeline)) Aged, blind, or disabled assistance 14 benefits;

(g) Pregnant women assistance benefits; 15

16 (h) Food stamps; and

17 (((<del>(h)</del>))) (i) Overtime or income from second jobs beyond forty hours per week averaged over a twelve-month period worked to provide for a 18 current family's needs, to retire past relationship debts, or to retire 19 child support debt, when the court finds the income will cease when the 20 21 party has paid off his or her debts.

Receipt of income and resources from temporary assistance for needy 22 23 families, supplemental security income, ((disability lifeline)) aged, 24 blind, or disabled assistance benefits, and food stamps shall not be a reason to deviate from the standard calculation. 25

(5) **Determination of net income.** The following expenses shall be 26 27 disclosed and deducted from gross monthly income to calculate net 28 monthly income:

29

(a) Federal and state income taxes;

(b) Federal insurance contributions act deductions; 30

(c) Mandatory pension plan payments; 31

32 (d) Mandatory union or professional dues;

(e) State industrial insurance premiums; 33

(f) Court-ordered maintenance to the extent actually paid; 34

35 (g) Up to five thousand dollars per year in voluntary retirement 36 contributions actually made if the contributions show a pattern of 37 contributions during the one-year period preceding the action 1 establishing the child support order unless there is a determination 2 that the contributions were made for the purpose of reducing child 3 support; and

4 (h) Normal business expenses and self-employment taxes for self5 employed persons. Justification shall be required for any business
6 expense deduction about which there is disagreement.

7 Items deducted from gross income under this subsection shall not be8 a reason to deviate from the standard calculation.

9 (6) Imputation of income. The court shall impute income to a parent when the parent is voluntarily unemployed or voluntarily 10 underemployed. The court shall determine whether the parent is 11 12 voluntarily underemployed or voluntarily unemployed based upon that 13 parent's work history, education, health, and age, or any other relevant factors. A court shall not impute income to a parent who is 14 gainfully employed on a full-time basis, unless the court finds that 15 the parent is voluntarily underemployed and finds that the parent is 16 17 purposely underemployed to reduce the parent's child support Income shall not be imputed for an unemployable parent. 18 obligation. 19 Income shall not be imputed to a parent to the extent the parent is unemployed or significantly underemployed due to the parent's efforts 20 21 to comply with court-ordered reunification efforts under chapter 13.34 22 RCW or under a voluntary placement agreement with an agency supervising 23 the child. In the absence of records of a parent's actual earnings, 24 the court shall impute a parent's income in the following order of priority: 25

26

(a) Full-time earnings at the current rate of pay;

(b) Full-time earnings at the historical rate of pay based onreliable information, such as employment security department data;

29 (c) Full-time earnings at a past rate of pay where information is 30 incomplete or sporadic;

(d) Full-time earnings at minimum wage in the jurisdiction where the parent resides if the parent has a recent history of minimum wage earnings, is recently coming off public assistance, ((disability lifeline)) aged, blind, or disabled assistance benefits, pregnant women assistance benefits, essential needs and housing support, supplemental security income, or disability, has recently been released from incarceration, or is a high school student; 1 (e) Median net monthly income of year-round full-time workers as 2 derived from the United States bureau of census, current population 3 reports, or such replacement report as published by the bureau of 4 census.

5 Sec. 15. RCW 31.04.540 and 2010 1st sp.s. c 8 s 15 are each 6 amended to read as follows:

7 (1) To the extent that implementation of this section does not 8 conflict with federal law resulting in the loss of federal funding, 9 proprietary reverse mortgage loan advances made to a borrower must be 10 treated as proceeds from a loan and not as income for the purpose of 11 determining eligibility and benefits under means-tested programs of aid 12 to individuals.

(2) Undisbursed reverse mortgage funds must be treated as equity in the borrower's home and not as proceeds from a loan, resources, or assets for the purpose of determining eligibility and benefits under means-tested programs of aid to individuals.

17 (3) This section applies to any law or program relating to payments, allowances, benefits, or services provided on a means-tested 18 basis by this state including, but not limited to, optional state 19 20 supplements to the federal supplemental security income program, low-21 income energy assistance, property tax relief, ((disability lifeline benefits)) aged, blind, or disabled assistance benefits, pregnant women 22 23 assistance benefits, essential needs and housing support, and medical assistance only to the extent this section does not conflict with Title 24 25 19 of the federal social security act.

26 **Sec. 16.** RCW 70.123.110 and 2010 1st sp.s. c 8 s 16 are each 27 amended to read as follows:

28 ((Disability lifeline)) Aged, blind, or disabled assistance benefits, essential needs and housing support benefits, pregnant women 29 assistance benefits, or temporary assistance for needy families 30 payments shall be made to otherwise eligible individuals who are 31 residing in a secure shelter, a housing network or other shelter 32 33 facility which provides shelter services to persons who are victims of 34 domestic violence. Provisions shall be made by the department for the 35 confidentiality of the shelter addresses where victims are residing.

1 Sec. 17. RCW 73.08.005 and 2010 1st sp.s. c 8 s 17 are each
2 amended to read as follows:

3 The definitions in this section apply throughout this chapter 4 unless the context clearly requires otherwise.

5 (1) "Direct costs" includes those allowable costs that can be 6 readily assigned to the statutory objectives of this chapter, 7 consistent with the cost principles promulgated by the federal office 8 of management and budget in circular No. A-87, dated May 10, 2004.

9 (2) "Family" means the spouse or domestic partner, surviving 10 spouse, surviving domestic partner, and dependent children of a living 11 or deceased veteran.

(3) "Indigent" means a person who is defined as such by the countylegislative authority using one or more of the following definitions:

(a) Receiving one of the following types of public assistance:
Temporary assistance for needy families, ((disability lifeline)) aged,
blind, or disabled assistance benefits, pregnant women assistance
benefits, poverty-related veterans' benefits, food stamps or food stamp
benefits transferred electronically, refugee resettlement benefits,
medicaid, medical care services, or supplemental security income;

(b) Receiving an annual income, after taxes, of up to one hundred fifty percent or less of the current federally established poverty level, or receiving an annual income not exceeding a higher qualifying income established by the county legislative authority; or

(c) Unable to pay reasonable costs for shelter, food, utilities,and transportation because his or her available funds are insufficient.

(4) "Indirect costs" includes those allowable costs that are 26 27 generally associated with carrying out the statutory objectives of this chapter, but the identification and tracking of those costs cannot be 28 29 readily assigned to a specific statutory objective without an 30 accounting effort that is disproportionate to the benefit received. A county legislative authority may allocate allowable indirect costs to 31 its veterans' assistance fund if it is accomplished in a manner 32 consistent with the cost principles promulgated by the federal office 33 of management and budget in circular No. A-87, dated May 10, 2004. 34

(5) "Veteran" has the same meaning as defined in RCW 41.04.005 and
 41.04.007, and includes a current member of the national guard or armed
 forces reserves who has been deployed to serve in an armed conflict.

(6) "Veterans' advisory board" means a board established by a
 county legislative authority under the authority of RCW 73.08.035.

3 (7) "Veterans' assistance fund" means an account in the custody of 4 the county auditor, or the chief financial officer in a county 5 operating under a charter, that is funded by taxes levied under the 6 authority of RCW 73.08.080.

7 (8) "Veterans' assistance program" means a program approved by the 8 county legislative authority under the authority of RCW 73.08.010 that 9 is fully or partially funded by the veterans' assistance fund 10 authorized by RCW 73.08.080.

11 **Sec. 18.** RCW 74.04.0052 and 2010 1st sp.s. c 8 s 18 are each 12 amended to read as follows:

(1) The department shall determine, after consideration of all 13 relevant factors and in consultation with the applicant, the most 14 appropriate living situation for applicants under eighteen years of 15 16 age, unmarried, and pregnant who are eligible for ((disability lifeline)) benefits under sections 3 and 4 of this act. An appropriate 17 living situation shall include a place of residence that is maintained 18 by the applicant's parents, parent, legal guardian, or other adult 19 20 relative as their or his or her own home and that the department finds 21 would provide an appropriate supportive living arrangement. It also 22 includes a living situation maintained by an agency that is licensed 23 under chapter 74.15 RCW that the department finds would provide an 24 appropriate supportive living arrangement. Grant assistance shall not 25 be provided under this chapter if the applicant does not reside in the 26 most appropriate living situation, as determined by the department.

(2) A pregnant minor residing in the most appropriate living situation, as provided under subsection (1) of this section, is presumed to be unable to manage adequately the funds paid to the minor or on behalf of the dependent child or children and, unless the minor provides sufficient evidence to rebut the presumption, shall be subject to the protective payee requirements provided for under RCW 74.12.250 and 74.08.280.

(3) The department shall consider any statements or opinions by
 either parent of the unmarried minor parent or pregnant minor applicant
 as to an appropriate living situation for the minor, whether in the
 parental home or other situation. If the parents or a parent of the

1 minor request, they or he or she shall be entitled to a hearing in 2 juvenile court regarding designation of the parental home or other 3 relative placement as the most appropriate living situation for the 4 pregnant or parenting minor.

The department shall provide the parents or parent with the 5 opportunity to make a showing that the parental home, or home of the б 7 other relative placement, is the most appropriate living situation. Ιt judicial proceeding 8 shall be presumed in any administrative or conducted under this subsection that the parental home or other 9 10 relative placement requested by the parents or parent is the most 11 appropriate living situation. This presumption is rebuttable.

12 (4) In cases in which the minor is unmarried and unemployed, the 13 department shall, as part of the determination of the appropriate 14 living situation, provide information about adoption including referral 15 to community-based organizations providing counseling.

16 (5) For the purposes of this section, "most appropriate living 17 situation" shall not include a living situation including an adult male 18 who fathered the qualifying child and is found to meet the elements of 19 rape of a child as set forth in RCW 9A.44.079.

20 Sec. 19. RCW 74.04.225 and 2010 1st sp.s. c 8 s 2 are each amended 21 to read as follows:

(1) An online opportunity portal shall be established to provide the public with more effective access to available state, federal, and local services. The secretary of the department of social and health services shall act as the executive branch sponsor of the portal planning process. Under the leadership of the secretary, the department shall:

(a) Identify and select an appropriate solution and acquisition
 approach to integrate technology systems to create a user-friendly
 electronic tool for Washington residents to apply for benefits;

(b) Facilitate the adaptation of state information technology systems to allow applications generated through the opportunity portal and other compatible electronic application systems to seamlessly link to appropriate state information systems;

35 (c) Ensure that the portal provides access to a broad array of 36 state, federal, and local services, including but not limited to: 37 Health care services, higher education financial aid, tax credits, civic engagement, nutrition assistance, energy assistance, family
support, and ((disability lifeline benefits)) the programs under
sections 3 and 4 of this act and as defined in RCW 10.101.010,
13.34.030, ((43.330.175,)) 70.96A.530, 74.04.005, 74.04.652, 74.04.655,
74.04.657, and ((74.04.810)) sections 1 through 3 and 7 of this act;

6 (d) Design an implementation strategy for the portal that maximizes
7 collaboration with community-based organizations to facilitate its use
8 by low-income individuals and families;

9 (e) Provide access to the portal at a wide array of locations 10 including but not limited to: Community or technical colleges, 11 community college campuses where community service offices are 12 colocated, community-based organizations, libraries, churches, food 13 banks, state agencies, early childhood education sites, and labor 14 unions;

(f) Ensure project resources maximize available federal and private funds for development and initial operation of the opportunity portal. Any incidental costs to state agencies shall be derived from existing resources. This subsection does not obligate or preclude the appropriation of future state funding for the opportunity portal;

20 (g) Determine the solution and acquisition approach by June 1, 21 2010.

(2) By December 1, 2011, and annually thereafter, the department of social and health services shall report to the legislature and governor. The report shall include data and information on implementation and outcomes of the opportunity portal, including any increases in the use of public benefits and increases in federal funding.

(3) The department shall develop a plan for implementing paperless 28 application processes for the services included in the opportunity 29 30 portal for which the electronic exchange of application information is possible. The plan should include a goal of achieving, to the extent 31 possible, the transition of these services to paperless application 32 processes by July 1, 2012. The plan must comply with federal statutes 33 and regulations and must allow applicants to submit applications by 34 35 alternative means to ensure that access to benefits will not be 36 restricted.

37 (4) To the extent that the department enters into a contractual

relationship to accomplish the purposes of this section, such contract
 or contracts shall be performance-based.

3 Sec. 20. RCW 74.04.230 and 2010 1st sp.s. c 8 s 20 are each 4 amended to read as follows:

5 Persons eligible for ((disability lifeline)) medical care services 6 benefits are eligible for mental health services to the extent that 7 they meet the client definitions and priorities established by chapter 8 71.24 RCW.

9 Sec. 21. RCW 74.04.266 and 2010 1st sp.s. c 8 s 21 are each 10 amended to read as follows:

In determining need for ((disability lifeline benefits)) aged, blind, or disabled assistance, and medical care services, the department may by rule and regulation establish a monthly earned income exemption in an amount not to exceed the exemption allowable under disability programs authorized in Title XVI of the federal social security act.

17 **Sec. 22.** RCW 74.04.620 and 2010 1st sp.s. c 8 s 22 are each 18 amended to read as follows:

(1) The department is authorized to establish a program of state supplementation to the national program of supplemental security income consistent with Public Law 92-603 and Public Law 93-66 to those persons who are in need thereof in accordance with eligibility requirements established by the department.

(2) The department is authorized to establish reasonable standards
 of assistance and resource and income exemptions specifically for such
 program of state supplementation which shall be consistent with the
 provisions of the Social Security Act.

(3) The department is authorized to make payments to applicants for
supplemental security income, pursuant to agreements as provided in
Public Law 93-368, who are otherwise eligible for ((disability lifeline
benefits)) aged, blind, or disabled assistance.

32 (4) Any agreement between the department and a supplemental 33 security income applicant providing for the reimbursement of interim 34 assistance to the department shall provide, if the applicant has been 35 represented by an attorney, that twenty-five percent of the reimbursement received shall be withheld by the department and all or such portion thereof as has been approved as a fee by the United States department of health and human services shall be released directly to the applicant's attorney. The secretary may maintain such records as are deemed appropriate to measure the cost and effectiveness of such agreements and may make recommendations concerning the continued use of such agreements to the legislature.

8 Sec. 23. RCW 74.04.652 and 2010 1st sp.s. c 8 s 7 are each amended 9 to read as follows:

10 (1) To ensure that persons who are likely eligible for supplemental 11 security income benefits are transitioned from ((disability lifeline 12 benefits to disability lifeline expedited)) the essential needs and housing support program to the aged, blind or disabled assistance 13 program, and the medicaid program, and then to the supplemental 14 security income program as quickly as practicable, the department shall 15 16 implement the early supplemental security income transition project starting in King, Pierce, and Spokane counties no later than July 1, 17 18 2010, and extending statewide no later than October 1, 2011. The program shall be implemented through performance-based contracts with 19 20 managed health care systems providing medical care services under RCW 21 74.09.035 or other qualified entities. The participants shall have the 22 following responsibilities and duties under this program:

(a) The entities with whom the department contracts to provide theprogram shall be responsible for:

(i) Systematically screening persons receiving ((disability lifeline)) benefits <u>under section 5 of this act</u> at the point of eligibility determination or shortly thereafter to determine if the persons should be referred for medical or behavioral health evaluations to determine whether they are likely eligible for supplemental security income;

31 (ii) Immediately sharing the results of the disability screening 32 with the department;

(iii) Managing ((disability lifeline)) aged, blind, or disabled assistance incapacity evaluation examinations to provide timely access to needed medical and behavioral health evaluations and standardizing health care providers' conduct of incapacity evaluations. To maximize the timeliness and efficiency of incapacity evaluation examinations,

the department must strongly consider contracting with a managed health 1 2 care system with a network of health care providers that are trained have agreed to conduct disability lifeline 3 medical and and 4 psychological incapacity and recertification exams. The department may obtain medical evidence and other relevant information from sources 5 other than the contracted entity if such evidence is available at the б 7 time of a person's application for disability lifeline benefits and is 8 sufficient to support a determination that the person is incapacitated; 9 (iv) Maintaining a centralized appointment and clinical data

10 system; and

(v) Assisting persons receiving ((disability lifeline benefits)) medical care services benefits, except recipients of alcohol and addiction treatment under chapter 74.50 RCW, with obtaining additional medical or behavioral health examinations needed to meet the disability standard for federal supplemental security income benefits and with submission of applications for supplemental security income benefits.

17

(b) The department shall be responsible for:

18 (i) Determining incapacity and eligibility for ((disability 19 lifeline)) benefits <u>under sections 3 and 4 of this act</u>;

(ii) Making timely determinations that a person receiving ((disability lifeline benefits)) medical care services benefits, except recipients of alcohol and addiction treatment under chapter 74.50 RCW, is likely eligible for supplemental security income based on medical evidence and other relevant information provided by a contracted entity, and immediately referring such persons to a contracted entity for services;

27 (iii) Developing standardized procedures for sharing data and 28 information with the contracted entities to ensure timely 29 identification of clients who have not been transferred to the ((disability lifeline expedited)) aged, blind, or disabled assistance 30 program within four months of their date of application, but who may, 31 32 upon further review, be appropriately transferred to that program;

33 (iv) Providing case management, in partnership with the managed 34 health care system or contracted entity, to support persons' transition 35 to federal supplemental security income and medicaid benefits; and

36 (v) Identifying a savings determination methodology, in 37 consultation with the contracted entities, the office of financial 1 management, and the legislature, on or before implementation of the 2 project.

3 (2) Early supplemental security income transition project contracts
4 shall include the following performance goals:

5 (a) Persons receiving ((disability lifeline benefits)) medical care 6 services benefits, except recipients of alcohol and addiction treatment 7 under chapter 74.50 RCW, should be screened within thirty days of 8 entering the program to determine the propriety of their transfer to 9 the ((disability lifeline expedited)) aged, blind, or disabled 10 assistance program; and

(b) Seventy-five percent of persons receiving ((disability lifeline benefits)) medical care services benefits, except recipients of alcohol and addiction treatment under chapter 74.50 RCW, that appear likely to qualify for supplemental security income benefits shall be transferred to the ((disability lifeline expedited)) aged, blind, or disabled assistance program within four months of their application for disability lifeline benefits.

18 (3) The initial focus of the efforts of the early supplemental 19 security income transition project shall be on persons who have been 20 receiving ((disability lifeline or general assistance unemployable 21 benefits)) medical care services, except recipients of alcohol and 22 addiction treatment under chapter 74.50 RCW or aged, blind, or disabled 23 assistance, for twelve or more months ((as of September 1, 2010)).

(4) No later than December 1, 2011, the department shall report to
the governor and appropriate policy and fiscal committees on whether
the early supplemental security income transition project performance
goals in subsection (2) of this section were met, including the reasons
those goals were or were not met.

(5) Pursuant to RCW 41.06.142(3), performance-based contracting
under this section is expressly mandated by the legislature and is not
subject to the processes set forth in RCW 41.06.142 (1), (4), and (5).

The statewide expansion of the program under this section shall be considered expressly mandated by the legislature and not be subject to the provisions of RCW 41.06.142 (1), (4), and (5).

35 Sec. 24. RCW 74.04.655 and 2010 1st sp.s. c 8 s 5 are each amended 36 to read as follows:

37 (1) The economic services administration shall work jointly with

the division of vocational rehabilitation to develop an assessment tool 1 2 that must be used to determine whether the programs offered by the division of vocational rehabilitation could assist persons receiving 3 4 ((disability lifeline)) benefits under sections 3 and 4 of this act in returning to the workforce. The assessment tool shall be completed no 5 6 later than December 1, 2010. The economic services administration shall begin using the tool no later than January 1, 2011. No later 7 8 than December 30, 2011, the department shall report on the use of the 9 tool and to what extent the programs offered by the division of vocational rehabilitation have been successful in returning persons 10 11 receiving disability lifeline benefits to the workforce.

12 (2) After January 1, 2011, all persons receiving ((disability 13 lifeline)) benefits under sections 3 and 5 of this act shall be assessed to determine whether they would likely benefit from a program 14 offered by the division of vocational rehabilitation. 15 If the assessment indicates that the person might benefit, the economic 16 services administration shall make a referral to the division of 17 vocational rehabilitation. If the person is found eligible for a 18 program with the division of vocational rehabilitation, he or she must 19 participate in that program to remain eligible for the monthly stipend 20 21 and housing voucher or a cash grant. If the person refuses to 22 participate or does not complete the program, the department shall 23 terminate the cash stipend and housing voucher or cash grant but may 24 not terminate medical coverage and food benefits.

25 Sec. 25. RCW 74.04.657 and 2010 1st sp.s. c 8 s 6 are each amended 26 to read as follows:

During the application process for ((disability lifeline)) benefits 27 under sections 3 and 4 of this act, the department shall inquire of 28 29 each applicant whether he or she has ever served in the United States military service. If the applicant answers in the affirmative, the 30 department shall confer with a veterans benefit specialist with the 31 Washington state department of veterans affairs or a contracted 32 veterans service officer in the community to determine whether the 33 applicant is eligible for any benefits or programs offered to veterans 34 35 by either the state or the federal government.

1 Sec. 26. RCW 74.04.770 and 2010 1st sp.s. c 8 s 23 are each 2 amended to read as follows:

The department shall establish consolidated standards of need each 3 4 fiscal year which may vary by geographical areas, program, and family 5 size, for temporary assistance for needy families, refugee assistance, supplemental security income, and ((disability lifeline)) benefits б 7 under section 3 of this act. Standards for temporary assistance for 8 needy families, refugee assistance, and ((disability lifeline)) benefits under section 3 of this act shall be based on studies of 9 actual living costs and generally recognized inflation indices and 10 shall include reasonable allowances for shelter, fuel, food, 11 12 transportation, clothing, household maintenance and operations, personal maintenance, and necessary incidentals. The standard of need 13 may take into account the economies of joint living arrangements, but 14 unless explicitly required by federal statute, there shall not be 15 proration of any portion of assistance grants unless the amount of the 16 17 grant standard is equal to the standard of need.

18 The department is authorized to establish rateable reductions and 19 grant maximums consistent with federal law.

20 Payment level will be equal to need or a lesser amount if rateable 21 reductions or grant maximums are imposed. In no case shall a recipient 22 of supplemental security income receive a state supplement less than 23 the minimum required by federal law.

The department may establish a separate standard for shelter provided at no cost.

26 **Sec. 27.** RCW 74.08.043 and 2010 1st sp.s. c 8 s 24 are each 27 amended to read as follows:

In determining the living requirements of otherwise eligible applicants and recipients of supplemental security income and ((disability lifeline)) benefits <u>under sections 3 and 4 of this act</u>, the department is authorized to consider the need for personal and special care and supervision due to physical and mental conditions.

33 **Sec. 28.** RCW 74.08.278 and 2010 1st sp.s. c 8 s 25 are each 34 amended to read as follows:

In order to comply with federal statutes and regulations pertaining to federal matching funds and to provide for the prompt payment of

initial grants and adjusting payments of grants the secretary is 1 2 authorized to make provisions for the cash payment of assistance by the secretary or county administrators by the establishment of a central 3 4 operating fund. The secretary may establish such a fund with the approval of the state auditor from moneys appropriated to the 5 6 department for the payment of ((disability lifeline)) benefits <u>under</u> 7 section 3 of this act in a sum not to exceed one million dollars. Such 8 funds shall be deposited as agreed upon by the secretary and the state 9 auditor in accordance with the laws regulating the deposits of public 10 funds. Such security shall be required of the depository in connection 11 with the fund as the state treasurer may prescribe. Moneys remaining 12 in the fund shall be returned to the general fund at the end of the 13 biennium, or an accounting of proper expenditures from the fund shall be made to the state auditor. All expenditures from such central 14 15 operating fund shall be reimbursed out of and charged to the proper program appropriated by the use of such forms and vouchers as are 16 approved by the secretary of the department and the state auditor. 17 Expenditures from such fund shall be audited by the director of 18 financial management and the state auditor from time to time and a 19 20 report shall be made by the state auditor and the secretary as are 21 required by law.

22 **Sec. 29.** RCW 74.08.335 and 2010 1st sp.s. c 8 s 26 are each 23 amended to read as follows:

Temporary assistance for needy families and ((disability lifeline)) 24 25 benefits <u>under sections 3 and 4 of this act</u> shall not be granted to any 26 person who has made an assignment or transfer of property for the purpose of rendering himself or herself eligible for the assistance. 27 There is a rebuttable presumption that a person who has transferred or 28 29 transfers any real or personal property or any interest in property within two years of the date of application for the assistance without 30 receiving adequate monetary consideration therefor, did so for the 31 purpose of rendering himself or herself eligible for the assistance. 32 Any person who transfers property for the purpose of rendering himself 33 34 or herself eligible for assistance, or any person who after becoming a 35 recipient transfers any property or any interest in property without 36 the consent of the secretary, shall be ineligible for assistance for a 37 period of time during which the reasonable value of the property so

transferred would have been adequate to meet the person's needs under normal conditions of living: PROVIDED, That the secretary is hereby authorized to allow exceptions in cases where undue hardship would result from a denial of assistance.

5 Sec. 30. RCW 74.08A.210 and 2010 1st sp.s. c 8 s 27 are each 6 amended to read as follows:

7 (1) In order to prevent some families from developing dependency on 8 temporary assistance for needy families, the department shall make 9 available to qualifying applicants a diversion program designed to 10 provide brief, emergency assistance for families in crisis whose income 11 and assets would otherwise qualify them for temporary assistance for 12 needy families.

13 (2) Diversion assistance may include cash or vouchers in payment 14 for the following needs:

- 15 (a) Child care;
- 16 (b) Housing assistance;
- 17 (c) Transportation-related expenses;
- 18 (d) Food;
- 19 (e) Medical costs for the recipient's immediate family;

20 (f) Employment-related expenses which are necessary to keep or 21 obtain paid unsubsidized employment.

(3) Diversion assistance is available once in each twelve-month period for each adult applicant. Recipients of diversion assistance are not included in the temporary assistance for needy families program.

26 (4) Diversion assistance may not exceed one thousand five hundred27 dollars for each instance.

(5) To be eligible for diversion assistance, a family must
otherwise be eligible for temporary assistance for needy families.

30 (6) Families ineligible for temporary assistance for needy families 31 or ((disability lifeline)) benefits <u>under section 3 of this act</u> due to 32 sanction, noncompliance, the lump sum income rule, or any other reason 33 are not eligible for diversion assistance.

(7) Families must provide evidence showing that a bona fide need
 exists according to subsection (2) of this section in order to be
 eligible for diversion assistance.

An adult applicant may receive diversion assistance of any type no more than once per twelve-month period. If the recipient of diversion assistance is placed on the temporary assistance for needy families program within twelve months of receiving diversion assistance, the prorated dollar value of the assistance shall be treated as a loan from the state, and recovered by deduction from the recipient's cash grant.

7 Sec. 31. RCW 74.08A.440 and 2010 1st sp.s. c 8 s 32 are each 8 amended to read as follows:

9 Recipients exempted from active work search activities due to incapacity or a disability shall receive ((disability lifeline)) 10 services for which they are eligible, including aged, blind, or 11 12 disabled assistance benefits as they relate to the facilitation of 13 enrollment in the federal supplemental security income program, referrals to essential needs and housing support benefits, access to 14 chemical dependency treatment, referrals to vocational rehabilitation, 15 16 and other services needed to assist the recipient in becoming employable. ((Disability lifeline)) Aged, blind, or disabled 17 assistance and essential needs and housing support benefits shall not 18 supplant cash assistance and other services provided through the 19 20 temporary assistance for needy families program. To the greatest 21 extent possible, services shall be funded through the temporary 22 assistance for needy families appropriations.

23 **Sec. 32.** RCW 74.09.555 and 2010 1st sp.s. c 8 s 30 are each 24 amended to read as follows:

(1) The department shall adopt rules and policies providing that when persons with a mental disorder, who were enrolled in medical assistance immediately prior to confinement, are released from confinement, their medical assistance coverage will be fully reinstated on the day of their release, subject to any expedited review of their continued eligibility for medical assistance coverage that is required under federal or state law.

32 (2) The department, in collaboration with the Washington 33 association of sheriffs and police chiefs, the department of 34 corrections, and the regional support networks, shall establish 35 procedures for coordination between department field offices, 36 institutions for mental disease, and correctional institutions, as

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defined in RCW 9.94.049, that result in prompt reinstatement of 1 2 eligibility and speedy eligibility determinations for persons who are likely to be eligible for medical assistance services upon release from 3 4 confinement. Procedures developed under this subsection must address:

5 (a) Mechanisms for receiving medical assistance services 6 applications on behalf of confined persons in anticipation of their 7 release from confinement;

8 (b) Expeditious review of applications filed by or on behalf of 9 confined persons and, to the extent practicable, completion of the review before the person is released; 10

11 (c) Mechanisms for providing medical assistance services identity 12 cards to persons eligible for medical assistance services immediately 13 upon their release from confinement; and

(d) Coordination with the federal social security administration, 14 through interagency agreements or otherwise, to expedite processing of 15 applications for federal supplemental security income or social 16 security disability benefits, including federal 17 acceptance of applications on behalf of confined persons. 18

19 (3) Where medical or psychiatric examinations during a person's confinement indicate that the person is disabled, the correctional 20 21 institution or institution for mental diseases shall provide the department with that information for purposes of making medical 22 assistance eligibility and enrollment determinations prior to the 23 24 person's release from confinement. The department shall, to the maximum extent permitted by federal law, use the examination in making 25 26 its determination whether the person is disabled and eligible for 27 medical assistance.

(4) For purposes of this section, "confined" or "confinement" means 28 29 incarcerated in a correctional institution, as defined in RCW 9.94.049, 30 or admitted to an institute for mental disease, as defined in 42 C.F.R. part 435, Sec. 1009 on July 24, 2005. 31

32 (5) For purposes of this section, "likely to be eligible" means that a person: 33

(a) Was enrolled in medicaid or supplemental security income or the 34 35 ((disability lifeline)) medical care services program immediately 36 before he or she was confined and his or her enrollment was terminated 37 during his or her confinement; or

1 (b) Was enrolled in medicaid or supplemental security income or the 2 ((disability lifeline)) medical care services program at any time 3 during the five years before his or her confinement, and medical or 4 psychiatric examinations during the person's confinement indicate that 5 the person continues to be disabled and the disability is likely to 6 last at least twelve months following release.

7 (6) The economic services administration shall adopt standardized 8 statewide screening and application practices and forms designed to 9 facilitate the application of a confined person who is likely to be 10 eligible for medicaid.

11 **Sec. 33.** RCW 74.50.060 and 2010 1st sp.s. c 8 s 31 are each 12 amended to read as follows:

(((1))) The department shall establish a shelter assistance program 13 to provide, within available funds, shelter for persons eligible under 14 this chapter. "Shelter," "shelter support," or "shelter assistance" 15 16 means a facility under contract to the department providing room and 17 board in a supervised living arrangement, normally in a group or dormitory setting, to eligible recipients under this chapter. This may 18 include supervised domiciliary facilities operated under the auspices 19 20 of public or private agencies. No facility under contract to the 21 department shall allow the consumption of alcoholic beverages on the 22 The department may contract with counties and cities for premises. such shelter services. To the extent possible, the department shall 23 not displace existing emergency shelter beds for use as shelter under 24 25 this chapter. In areas of the state in which it is not feasible to 26 develop shelters, due to low numbers of people needing shelter services, or in which sufficient numbers of shelter beds are not 27 available, the department may provide shelter through an intensive 28 29 protective payee program, unless the department grants an exception on an individual basis for less intense supervision. 30

31 (((2) Persons continuously eligible for the disability lifeline 32 program since July 25, 1987, who transfer to the program established by 33 this chapter, have the option to continue their present living 34 situation, but only through a protective payee.))

35 <u>NEW SECTION.</u> **Sec. 34.** The following acts or parts of acts are 36 each repealed: (1) RCW 43.330.175 (Disability lifeline housing voucher program)
 and 2010 1st sp.s. c 8 s 8;

3 (2) RCW 74.04.120 (Basis of state's allocation of federal aid 4 funds--County budget) and 2010 1st sp.s. c 8 s 19, 1979 c 141 s 301, & 5 1959 c 26 s 74.04.120; and

6 (3) RCW 74.04.810 (Study of disability lifeline program 7 terminations--Report) and 2010 1st sp.s. c 8 s 11.

8 <u>NEW SECTION.</u> Sec. 35. The code reviser shall alphabetize the 9 subsections containing definitions in RCW 74.04.005.

10 <u>NEW SECTION.</u> **Sec. 36.** Sections 1 through 3 and 7 of this act 11 constitute a new chapter in Title 74 RCW.

<u>NEW SECTION.</u> Sec. 37. Section 11 of this act expires June 30,
2013.

14 <u>NEW SECTION.</u> Sec. 38. Except for sections 6 and 8 of this act, 15 this act is necessary for the immediate preservation of the public 16 peace, health, or safety, or support of the state government and its 17 existing public institutions, and takes effect immediately.

18 <u>NEW SECTION.</u> **Sec. 39.** Section 6 of this act is necessary for the 19 immediate preservation of the public peace, health, or safety, or 20 support of the state government and its existing public institutions, 21 and takes effect July 22, 2011.

22 <u>NEW SECTION.</u> Sec. 40. Section 8 of this act takes effect November 23 1, 2011."

ESHB 2082 - S COMM AMD By Committee on Ways & Means

## NOT ADOPTED 05/25/2011

24 On page 1, line 6 of the title, after "funding;" strike the

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remainder of the title and insert "amending RCW 74.09.035, 74.04.005, 1 74.09.510, 74.50.055, 70.96A.530, 10.101.010, 26.19.071, 31.04.540, 2 70.123.110, 73.08.005, 74.04.0052, 74.04.225, 74.04.230, 74.04.266, 3 74.04.620, 74.04.652, 74.04.655, 74.04.657, 74.04.770, 74.08.043, 4 74.08.278, 74.08.335, 74.08A.210, 74.08A.440, 74.09.555, and 74.50.060; 5 6 reenacting and amending RCW 13.34.030; adding new sections to chapter 43.185C RCW; adding a new chapter to Title 74 RCW; creating a new 7 section; repealing RCW 43.330.175, 74.04.120, and 74.04.810; providing 8 effective dates; providing an expiration date; and declaring an 9 emergency." 10

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