SENATE BILL 5196

State of Washington63rd Legislature2013 Regular SessionBy Senators Keiser, Frockt, Darneille, Kohl-Welles, Schlicher, and ConwayRead first time 01/23/13.Referred to Committee on Ways & Means.

1 AN ACT Relating to restoring payment rates for community 2 residential providers and annually adjusting payment rates for 3 community residential providers by the rate of inflation; adding a new 4 section to chapter 71A.12 RCW; creating new sections; providing an 5 effective date; and declaring an emergency.

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

7 NEW SECTION. Sec. 1. The legislature finds that the rate of reimbursement for providers of community residential services to 8 9 persons with developmental disabilities currently has no established 10 mechanism to keep pace with inflation. Further, the legislature finds 11 that rate reductions to providers of community residential services to persons with developmental disabilities have decreased the gap between 12 13 the hourly Washington minimum wage and the entry level hourly wage for 14 direct support staff.

15 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 71A.12 RCW 16 to read as follows:

17 (1) Beginning in fiscal year 2014, and in each fiscal year 18 thereafter, the benchmark rate, the indirect client

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support/administrative rate, and other service rate components for 1 2 providers of community residential services to persons with developmental disabilities must be adjusted by an inflation factor 3 4 during the first month of each fiscal year. The inflation factor must be calculated based on the rate of change in the consumer price index 5 for urban wage earners and clerical workers, published by the United б 7 States bureau of labor statistics, for the most recent available twelve 8 month period. The adjustment may not be less than zero percent and may 9 not exceed four percent.

(2) The benchmark rate for providers of community residential 10 services to persons with developmental disabilities must be restored to 11 12 the June 2009 payment level, prior to four percent in rate reductions. 13 On July 1, 2013, after the inflation factor adjustment has been 14 applied, the benchmark rate must be raised by an additional two percent. On July 1, 2014, after the inflation factor adjustment has 15 been applied, the benchmark rate must be raised by an additional two 16 17 percent.

18 (3) The department the indirect must review client support/administrative rate for all providers of community residential 19 services to persons with developmental disabilities. On July 1, 2013, 20 21 any indirect client support/administrative rate from a provider that 22 falls below the standard rate, as established in this section, must be 23 raised by the department to the indirect client support/administrative 24 standard rate.

25 <u>NEW SECTION.</u> Sec. 3. If specific funding for the purposes of this 26 act, referencing this act by bill or chapter number, is not provided by 27 June 30, 2013, in the omnibus appropriations act, this act is null and 28 void.

29 <u>NEW SECTION.</u> Sec. 4. This act is necessary for the immediate 30 preservation of the public peace, health, or safety, or support of the 31 state government and its existing public institutions, and takes effect 32 July 1, 2013.

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