

SENATE BILL REPORT

SHB 1586

AS REPORTED BY COMMITTEE ON HEALTH & LONG-TERM CARE,
APRIL 3, 1991

Brief Description: Providing criteria for exempting continuing care retirement communities.

SPONSORS: House Committee on Health Care (originally sponsored by Representatives D. Sommers, Prentice, Moyer, Paris, Braddock and Franklin).

HOUSE COMMITTEE ON HEALTH CARE

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass as amended.

Signed by Senators West, Chairman; L. Smith, Vice Chairman; Amondson, and Johnson.

Staff: Scott Plack (786-7409)

Hearing Dates: March 28, 1991; April 3, 1991

BACKGROUND:

A continuing care retirement community is included within the definition of a health facility and, as such, prior review and approval is required under the certificate of need law for the construction and development of the retirement home portion, as well as any nursing home facilities.

However, continuing care retirement communities are exempt where they: 1) serve only contractual members; 2) provide a guaranteed range of services; 3) assume responsibility for costs of service; 4) have existed since January 1, 1988 operating a nursing home; 5) relieve the Department of Social and Health Services of any financial liability for services to members; 6) do not operate any nursing home beds in excess of one for every four living units; and 7) have not increased the number of nursing home beds after January 1, 1988 without a professional review of pricing and long term solvency that is fully disclosed to the members.

SUMMARY:

Rehabilitation facilities are subject to certificate of need requirements.

Continuing care retirement communities no longer require a certificate of need review.

The nursing home portion is still reviewable, however, but exemption is provided for continuing care retirement

communities that: 1) serve only contractual members; 2) provide a guaranteed range of services; 3) assume responsibility for costs of service; 4) have existed since January 1, 1988 operating a nursing home; 5) relieve the department of any financial liability for services to members; 6) do not operate any nursing home beds in excess of one for every four living units; and 7) have obtained a professional review of pricing and long term solvency.

In order to qualify for an exemption, a continuing care retirement community must apply for exemption documenting that it qualifies for an exemption.

Appropriation: none

Revenue: none

Fiscal Note: available

SUMMARY OF PROPOSED SENATE AMENDMENT:

The term "rehabilitation facilities" is deleted from the bill. Technical changes are made to the bill.

TESTIMONY FOR:

Existing certificate of need requirements limit CCRS's ability to fulfill their contractual obligations to members and have unintentionally placed residential units under certificate of need. The cost of residential living is not paid from state funded programs and do not need to be under certificate of need.

TESTIMONY AGAINST: None

TESTIFIED: Cathy Wiggins, DSHS; Frank Chestnut, DOH (pro); Karen Tynes, WA Assn. of Homes for the Aging (pro); Cal Groenenberg, Wesley Homes (pro)