

**FINAL BILL REPORT**

**SSB 6354**

**C 215 L 92**

**SYNOPSIS AS ENACTED**

**Brief Description:** Providing an exception to the nursing home prospective cost-related reimbursement system dual certification requirement.

**SPONSORS:** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Craswell, Barr, Pelz, Murray, Moore, West, Hayner, Newhouse, Williams, Metcalf, A. Smith, Vognild, McDonald, Stratton, Bauer, Oke and Roach)

**SENATE COMMITTEE ON HEALTH & LONG-TERM CARE**

**HOUSE COMMITTEE ON APPROPRIATIONS**

**BACKGROUND:**

In 1991 the Legislature enacted provisions requiring that the state's Medicaid certified nursing homes also meet Medicare certification requirements and obtain Medicare certification. The law requires that at least 15 percent of a nursing home's beds be Medicare certified. Medicare certification qualifies the nursing home to care for Medicare eligible patients. This action was taken to expand the number of nursing home beds available to Medicare eligible patients and to reduce some Medicaid costs by taking advantage of alternative Medicare reimbursement. The Medicare program is entirely federally funded, whereas the Medicaid program requires a state general fund match. The Medicaid program is administered by DSHS.

Medicare eligible patients are those who have recently been discharged from an acute care facility and have recuperative medical care needs that are generally short-term in nature. Medicaid patients tend to have more chronic care needs and require longer term institutional care. Often a patient will initially be Medicare eligible and then later become Medicaid eligible. Medicare reimburses at a higher level than Medicaid because of the specialized care needs required for eligible patients.

Currently, there are no exemptions from the law for nursing homes. Some have argued that the requirement is not practical or reasonable due to factors such as the size or location of the nursing home.

**SUMMARY:**

Nursing homes are required to have a portion of their beds Medicare certified. Until June 1, 1993, DSHS is authorized to grant exemptions from the Medicare certification requirement

if the nursing home facility is making a good faith effort to obtain Medicare certification.

**VOTES ON FINAL PASSAGE:**

Senate	46	0
House	96	0

**EFFECTIVE:** June 11, 1992