
SUBSTITUTE SENATE BILL 5966

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Rinehart, Haugen and M. Rasmussen; by request of Department of Veterans Affairs)

Read first time 04/14/93.

1 AN ACT Relating to state institutions; amending RCW 72.36.020,
2 72.36.030, 72.36.035, 72.36.120, and 74.09.120; adding new sections to
3 chapter 72.36 RCW; creating a new section; repealing RCW 72.36.080 and
4 72.36.130; providing an effective date; and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that operation of
7 state veterans' homes is necessary to meet the needs of eligible
8 veterans for shelter, personal and nursing care, and related services;
9 that certain veterans' homes' residents or services provided to them
10 are eligible for participation in the state's medicaid reimbursement
11 system; and that authorizing medicaid participation is appropriate to
12 address the homes' long-term funding needs. The legislature also finds
13 that it is important to maintain the dignity and self respect of
14 veterans' homes' residents, by providing an adequate amount of personal
15 income to meet the greater costs for these medicaid residents of
16 transportation, communication, and participation in family and
17 community activities which are vitally important to their maintenance
18 and rehabilitation.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 72.36 RCW
2 to read as follows:

3 Qualifying operations at state veterans' homes operated by the
4 department of veterans' affairs, may be provided under the state's
5 medicaid reimbursement system as administered by the department of
6 social and health services.

7 The department of veterans' affairs may contract with the
8 department of social and health services under the authority of RCW
9 74.09.120 but shall be exempt from RCW 74.46.660(6) and the provisions
10 of RCW 74.46.420 through 74.46.590 shall not apply to the medicaid rate
11 setting and reimbursement systems. The nursing care operations at the
12 state veterans' homes shall be subject to inspection by the department
13 of social and health services. This includes every part of the state
14 veterans' home's premises, an examination of all records, including
15 financial records, methods of administration, general and special
16 dietary programs, the disbursement of drugs, methods of supply, and any
17 other records the department of social and health services deems
18 relevant.

19 NEW SECTION. **Sec. 3.** A new section is added to chapter 72.36 RCW
20 to read as follows:

21 The department of veterans affairs shall provide by rule for the
22 annual election of a resident council for each state veterans' home.
23 The council shall annually elect a chair from among its members, who
24 shall call and preside at council meetings. The resident council shall
25 serve in an advisory capacity to the director of the department of
26 veterans affairs and to the superintendent in all matters related to
27 policy and operational decisions affecting resident care and life in
28 the home.

29 The resident council for each state veterans' home shall annually
30 review the proposed expenditures from the benefit fund which shall
31 contain all private donations to the home, all bequeaths, and gifts.
32 Disbursements from each benefit fund shall be for the benefit and
33 welfare of the residents of the state veterans' homes. Disbursements
34 from the benefits funds shall be on the authorization of the
35 superintendent or his or her authorized representative after approval
36 has been received from the home's resident council.

37 The superintendent or his or her designated representative shall
38 meet with the resident council at least monthly. The director of the

1 department of veterans affairs shall meet with each resident council at
2 least three times each year.

3 **Sec. 4.** RCW 72.36.020 and 1977 c 31 s 2 are each amended to read
4 as follows:

5 The director of the department of veterans affairs shall appoint a
6 superintendent for ~~((the state soldiers' home and colony, and a~~
7 ~~superintendent for the Washington veterans' home, who, with the consent~~
8 ~~of the director, may be styled, respectively, "commandant of the~~
9 ~~home")) each state veterans' home. The superintendent shall exercise
10 management and control of the institution in accordance with either
11 policies ((and/or)) or procedures promulgated by the director of the
12 department of veterans affairs, or both, and rules and regulations of
13 the department. In accordance with chapter 18.52 RCW, the individual
14 appointed as superintendent for either state veterans' home shall be a
15 licensed nursing home administrator. The department may request a
16 waiver to, or seek an alternate method of compliance with, the federal
17 requirement for a licensed on-site administrator during a transition
18 phase from July 1, 1993, to June 30, 1994.~~

19 **Sec. 5.** RCW 72.36.030 and 1977 ex.s. c 186 s 1 are each amended to
20 read as follows:

21 ~~((All honorably discharged veterans who have served the United~~
22 ~~States government in any of its wars, and members of the state militia~~
23 ~~disabled while in the line of duty, may be admitted to the state~~
24 ~~soldiers' home at Orting under such rules and regulations as may be~~
25 ~~adopted by the department: PROVIDED, That such applicants have been~~
26 ~~actual bona fide residents of this state at the time of their~~
27 ~~application, and are indigent and unable to support themselves:~~
28 ~~PROVIDED FURTHER, That the surviving spouses of all veterans and~~
29 ~~members of the state militia disabled while in the line of duty, who~~
30 ~~were members of a soldiers' home or colony or veterans' home in this~~
31 ~~state or entitled to admission thereto at the time of death, and~~
32 ~~surviving spouses of all such veterans and members of the state~~
33 ~~militia, who would have been entitled to admission to a soldiers' home~~
34 ~~or colony or veterans' home in this state at the time of death, but for~~
35 ~~the fact that they were not indigent and unable to earn a support for~~
36 ~~themselves and families, which spouses have since the death of their~~
37 ~~husbands or wives, become indigent and unable to earn a support for~~

1 themselves shall be admitted to such home: PROVIDED, FURTHER, That
2 such spouses are not less than fifty years of age and were married and
3 living with their husbands or wives on or before three years prior to
4 the date of their application, and have not been married since the
5 decease of their husbands or wives to any person not a member of a
6 soldiers' home or colony or veterans' home in this state or entitled to
7 admission thereto: AND PROVIDED, FURTHER, That sufficient facilities
8 and resources are available to accommodate such applicant.)) All of the
9 following persons who have been actual bona fide residents of this
10 state at the time of their application, and who are indigent and unable
11 to support themselves and their families may be admitted to a state
12 veterans' home under rules as may be adopted by the director of the
13 department, unless sufficient facilities and resources are not
14 available to accommodate these people:

15 (1)(a) All honorably discharged veterans of a branch of the armed
16 forces of the United States or merchant marines; (b) members of the
17 state militia disabled while in the line of duty; and (c) the spouses
18 of these veterans, merchant marines, and members of the state militia.
19 However, it is required that the spouse was married to and living with
20 the veteran three years prior to the date of application for
21 admittance, or, if married to him or her since that date, was also a
22 resident of a state veterans' home in this state or entitled to
23 admission thereto;

24 (2)(a) The spouses of: (i) All honorably discharged veterans of
25 the United States armed forces; (ii) merchant marines; and (iii)
26 members of the state militia who were disabled while in the line of
27 duty and who were residents of a state veterans' home in this state or
28 were entitled to admission to one of this state's state veteran homes
29 at the time of death; (b) the spouses of: (i) All honorably discharged
30 veterans of a branch of the United States armed forces; (ii) merchant
31 marines; and (iii) members of the state militia who would have been
32 entitled to admission to one of this state's state veterans' homes at
33 the time of death, but for the fact that the spouse was not indigent,
34 but has since become indigent and unable to support himself or herself
35 and his or her family. However, the included spouse shall be at least
36 fifty years old and have been married to and living with their husband
37 or wife for three years prior to the date of their application. The
38 included spouse shall not have been married since the death of his or
39 her husband or wife to a person who is not a resident of one of this

1 state's state veterans' homes or entitled to admission to one of this
2 state's state veterans' homes; and

3 (3) All applicants for admission to a state veterans' home shall
4 apply for all federal and state benefits for which they may be
5 eligible, including medical assistance under chapter 74.09 RCW.

6 **Sec. 6.** RCW 72.36.035 and 1991 c 240 s 2 are each amended to read
7 as follows:

8 For purposes of this chapter, unless the context clearly indicates
9 otherwise(~~(7)~~):

10 (1) "Actual bona fide residents of this state" (~~(shall mean)~~) means
11 persons who have a domicile in the state of Washington immediately
12 prior to application for (~~membership in the soldiers' home or colony~~
13 or ~~veterans'~~) admission to a state veterans' home.

14 (~~The term~~) (2) "Department" means the Washington state department
15 of veterans affairs.

16 (3) "Domicile" (~~(shall mean)~~) means a person's true, fixed, and
17 permanent home and place of habitation, and shall be the place where
18 the person intends to remain, and to which the person expects to return
19 when the person leaves without intending to establish a new domicile
20 elsewhere.

21 (4) "State veterans' home" means either the Washington soldiers'
22 home and colony in Orting, or the Washington veterans' home in Retsil,
23 or both.

24 (5) "Veteran" has the same meaning established in RCW 41.04.005.

25 **Sec. 7.** RCW 72.36.120 and 1977 ex.s. c 186 s 7 are each amended to
26 read as follows:

27 (~~All income of members of the soldiers' home in excess of~~
28 allowable income shall be deposited in the soldiers' home revolving
29 fund as established in section 55, chapter 269, Laws of 1975 1st ex.
30 sess. (uncodified, and herein continued and reenacted).

31 (1) Allowable income shall be defined by the rules and regulations
32 adopted by the department: PROVIDED, That the allowable income of
33 members accepted for membership shall not be decreased below one
34 hundred sixty dollars per month during periods that such members are
35 resident thereat.

36 (2) Disbursements from the soldiers' home revolving fund shall be
37 for the benefit and welfare of all members of the soldiers' home and

1 such disbursements shall be on the authorization of the superintendent
2 or his authorized representative after approval has been received from
3 a duly constituted body representative of the members.

4 (3) ~~In order to maintain an effective expenditure and revenue~~
5 ~~control, the soldiers' home revolving fund shall be subject in all~~
6 ~~respects to chapter 43.88 RCW, but no appropriation shall be required~~
7 ~~to permit expenditures from such funds.)~~ All income of residents of a
8 state veterans' home, other than the personal needs allowance, shall be
9 deposited in the state general fund--local and be available to apply
10 against the cost of care provided by the state veterans' homes. All
11 expenditures and revenue control shall be subject to chapter 43.88 RCW.

12 **Sec. 8.** RCW 74.09.120 and 1992 c 8 s 1 are each amended to read as
13 follows:

14 The department shall purchase necessary physician and dentist
15 services by contract or "fee for service." The department shall
16 purchase nursing home care by contract. The department shall establish
17 regulations for reasonable nursing home accounting and reimbursement
18 systems which shall provide that no payment shall be made to a nursing
19 home which does not permit inspection by the department of social and
20 health services of every part of its premises and an examination of all
21 records, including financial records, methods of administration,
22 general and special dietary programs, the disbursement of drugs and
23 methods of supply, and any other records the department deems relevant
24 to the establishment of such a system.

25 The department may purchase nursing home care by contract in
26 veterans' homes operated by the state department of veterans affairs.
27 The department shall establish rules for reasonable accounting and
28 reimbursement systems for such care.

29 The department may purchase care in institutions for the mentally
30 retarded, also known as intermediate care facilities for the mentally
31 retarded. The department shall establish rules for reasonable
32 accounting and reimbursement systems for such care. Institutions for
33 the mentally retarded include licensed nursing homes, public
34 institutions, licensed boarding homes with fifteen beds or less, and
35 hospital facilities certified as intermediate care facilities for the
36 mentally retarded under the federal medicaid program to provide health,
37 habilitative, or rehabilitative services and twenty-four hour
38 supervision for mentally retarded individuals or persons with related

1 conditions and includes in the program "active treatment" as federally
2 defined.

3 The department may purchase care in institutions for mental
4 diseases by contract. The department shall establish rules for
5 reasonable accounting and reimbursement systems for such care.
6 Institutions for mental diseases are certified under the federal
7 medicaid program and primarily engaged in providing diagnosis,
8 treatment, or care to persons with mental diseases, including medical
9 attention, nursing care, and related services.

10 The department may purchase all other services provided under this
11 chapter by contract or at rates established by the department.

12 NEW SECTION. **Sec. 9.** A new section is added to chapter 72.36 RCW
13 to read as follows:

14 The legislature finds that to meet the objectives of section 1,
15 chapter, Laws of 1993 (section 1 of this act) that an adequate
16 personal needs allowance for all residents of the state veterans'
17 homes, including both domiciliary and nursing care residents, shall not
18 be less than one hundred sixty dollars per month during periods of
19 residency, and directs the department of veterans affairs to seek
20 approve of a one hundred sixty dollar per month personal needs
21 allowance from the federal health care financing administration. The
22 department will begin allowing the one hundred sixty dollar per month
23 personal needs allowance on the first day of the month following
24 receipt of written approval from the health care financing
25 administration.

26 Beginning July 1, 1993, and continuing until a different personal
27 needs allowance is approved by the federal health care financing
28 administration the following personal needs allowance shall be allowed:

29 (1) For all nursing care residents the personal needs allowance
30 shall be ninety dollars per month.

31 (2) For all domiciliary residents the personal needs allowance
32 shall be one hundred sixty dollars per month, or a higher amount
33 defined in rules adopted by the department.

34 NEW SECTION. **Sec. 10.** A new section is added to chapter 72.36 RCW
35 to read as follows:

36 (1) In the event the personal needs allowance for nursing care
37 residents described in section 9 of this act is not allowed, there is

1 established in the state treasury, two appropriated dedicated accounts.
2 One account for each state veterans' home, called a resident support
3 account.

4 (a) The resident support account for the soldiers' home and colony
5 at Orting is created in the state treasury. All moneys appropriated
6 for the purposes of this section shall be deposited in the account.
7 Moneys in the account may be spent only after appropriation.
8 Expenditures from the account may only be used for the social welfare
9 needs of the residents of the soldiers' home and colony at Orting.

10 (b) The resident support account for the Washington veterans' home
11 at Retsil is created in the state treasury. All moneys appropriated
12 for the purposes of this section shall be deposited in the account.
13 Moneys in the account may be spent only after appropriation.
14 Expenditures from the account may only be used for the social welfare
15 needs of the residents of the Washington veterans' home at Retsil.

16 Biennial appropriation requests for the resident support account
17 shall be based on the following formula: The difference between the
18 personal needs allowance established by the United States department of
19 veterans' affairs for a single veteran residing in private sector
20 nursing home and the personal needs allowance established by the state
21 department of social and health services for medical assistance
22 recipients residing in private sector nursing homes, multiplied by the
23 projected number of residents residing in nursing care units at the two
24 state veterans' homes multiplied by twenty-four months.

25 (2) Each state veterans' home's resident council, as elected under
26 section 3 of this act, shall meet and recommend to the superintendent
27 of each state veterans' home a budget for the resident support account.
28 Expenditures from the resident support account shall be on the
29 authorization of the superintendent of each state veterans' home or the
30 superintendent's authorized representative.

31 NEW SECTION. **Sec. 11.** The following acts or parts of acts are
32 each repealed:

33 (1) RCW 72.36.080 and 1977 ex.s. c 186 s 5, 1975 c 13 s 2, 1973 1st
34 ex.s. c 154 s 104, & 1959 c 28 s 72.36.080; and

35 (2) RCW 72.36.130 and 1977 ex.s. c 186 s 8.

36 NEW SECTION. **Sec. 12.** This act is necessary for the immediate
37 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and shall take
2 effect July 1, 1993.

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