

HOUSE BILL REPORT

HB 2938

As Reported by House Committee On:
Health Care

Title: An act relating to long-term care financing.

Brief Description: Regarding long-term care financing.

Sponsors: Representatives Bailey, Cody, Morrell, Clibborn, Schindler, Armstrong, Woods, Schual-Berke, O'Brien, McDonald, Edwards, Wallace, Conway and Kagi.

Brief History:

Committee Activity:

Health Care: 2/3/04, 2/5/04 [DP].

Brief Summary of Bill

- Directs the Secretary of the Department of Social and Health Services (Department) to contract for a study reviewing existing financial mechanisms and incentives for utilizing and purchasing long-term care services.
- The Department will also establish an information and referral process to assist people in arranging home equity conversion mortgages to pay for long-term care services.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: Do pass. Signed by 13 members: Representatives Cody, Chair; Morrell, Vice Chair; Bailey, Ranking Minority Member; Alexander, Benson, Campbell, Clibborn, Darneille, Edwards, Moeller, Rodne, Schual-Berke and Skinner.

Staff: Dave Knutson (786-7146).

Background:

Over the next 20 years, the portion of the population over age 65 will grow dramatically. The increased demand for long-term care services for the elderly will place greater burdens on the state operating budget.

Summary of Bill:

The Secretary of the Department of Social and Health Services (Department) will contract for a study reviewing existing financial mechanisms and incentives for individuals to utilize and purchase long-term care services. The Department will also establish an information and referral process to assist people in arranging home equity conversion mortgages to pay for long-term care services.

Appropriation: None.

Fiscal Note: Requested on January 30, 2004.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: It is important to encourage individuals to take financial responsibility for their own long-term care, to the extent they can. The increasing number of senior citizens will place a great strain on the long-term care system.

Testimony Against: Financing long-term care should be a societal responsibility, not a personal responsibility. The Department of Social and Health Services should not be referring citizens to financial institutions to take out reverse mortgages.

Persons Testifying: (In support) Representative Bailey, prime sponsor; Deb Murphy, Washington Association of Housing & Services for the Aging; Lauri St. Ours, Northwest Assisted Living Facilities Association; and Jerry Reilly.

(Concerns) David Rolf, Service Employees International Union Local 775.

Persons Signed In To Testify But Not Testifying: None.