

SENATE BILL REPORT

SB 5578

As Reported By Senate Committee On:
Health & Long-Term Care, February 20, 2003
Ways & Means, March 10, 2003

Title: An act relating to bed hold for boarding home residents.

Brief Description: Allowing for bed hold for boarding home residents.

Sponsors: Senators Winsley, T. Sheldon, Brandland, Reardon, Franklin, Esser, Haugen and Hargrove.

Brief History:

Committee Activity: Health & Long-Term Care: 2/13/03, 2/20/03 [DP-WM].
Ways & Means: 3/10/03 [DPS].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Deccio, Chair; Winsley, Vice Chair; Brandland, Franklin, Parlette and Thibaudeau.

Staff: Rhoda Donkin (786-7198)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5578 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rossi, Chair; Hewitt, Vice Chair; Zarelli, Vice Chair; Brown, Doumit, Fairley, Fraser, Hale, Honeyford, Johnson, Parlette, Poulsen, Regala, Roach, Sheahan, B. Sheldon and Winsley.

Staff: Tim Yowell (786-7435)

Background: Boarding homes are required to hold the beds of Medicaid residents who vacate them temporarily for a short nursing home or hospital stay, if there is a reasonable likelihood the person will be returning. In the past, the boarding homes have been compensated by the state for Medicaid bed holds at the full rate for up to seven days, and a partial rate for the remainder of a 30-day absence. This direct payment for bed holds changed after the federal government told the state that these payments could not be federally matched. Last year the state eliminated the direct payment for bed holds, and added a small rate increase across all Medicaid beds in boarding homes to pay for bed holds across the system. This change in payment resulted in an uneven distribution of funds amongst boarding homes, some with many residents leaving for short medical absences, and others with very few.

Summary of Substitute Bill: The Department of Social and Health Services is required to pay a portion of the daily rate for the first 20 days a resident is temporarily hospitalized or in a nursing home. For the first seven days, the department must pay 70 percent of the standard rate. For days 8-20, the department must pay a rate established in rule, and no less than \$10 per day. After the 20th day, the boarding home may seek payment from other third parties to hold the bed. If such payment is not received, the boarding home is not required to hold the resident's bed.

Substitute Bill Compared to Original Bill: The original bill required the department to pay 70 percent of the standard daily rate for as long as funds were available. The bed hold would end when funding at the 70 percent level was no longer available.

Appropriation: None.

Fiscal Note: Available on original bill.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For (Health & Long-Term Care): This is an equity issue. When facilities are required to hold beds open, we should be paid fairly for doing it. The current rate structure gives some boarding homes with few bed holds a windfall. The rest are underpaid.

Testimony Against (Health & Long-Term Care): The federal government has said we cannot get matching funds for direct payments on held beds. Our current rate system allows for federal matching funds.

Testified (Health & Long-Term Care): Harry Steinmetz, WAHSA (pro); Deb Murphy, WHCA (pro); Mark Williams, Heritage House at the Market (pro); Lauri St. Ours, Nor. ALFA (pro); Kathy Marshall, DSHS (concerns).

Testimony For (Ways & Means): The bill is necessary as a simple equity issue, because some boarding homes have more temporary absences for hospitalizations than others. It is important to hold beds while a resident is temporarily absent, so the resident is able to return to the boarding home, which is their home.

Testimony Against (Ways & Means): None.

Testified (Ways & Means): PRO: Senator Shirley Winsley, prime sponsor; Deb Murphy, Washington Health Care Association; Harry Steinmetz, Washington Association of Homes and Services for the Aging.