S-2123.2			

## SUBSTITUTE SENATE BILL 5579

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State of Washington 58th Legislature 2003 Regular Session

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Parlette, Jacobsen, Winsley, Brandland, Rasmussen, Esser, Reardon, Honeyford, T. Sheldon, Hargrove, Haugen, Doumit, Zarelli, Stevens, Deccio, Keiser, Mulliken and Shin)

READ FIRST TIME 03/05/03.

- 1 AN ACT Relating to boarding homes; amending RCW 18.20.020,
- 2 18.20.030, 18.20.050, 18.20.125, and 18.20.190; adding a new section to
- 3 chapter 18.20 RCW; creating new sections; providing an expiration date;
- 4 and declaring an emergency.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds and declares that, in keeping with the traditional concept of the dignity of the individual in our democratic society, the older citizens of this state and persons with disabilities are entitled to live in comfort, honor, and dignity in a manner that maximizes freedom and independence.
  - The legislature further finds that licensed boarding homes are an essential component of home and community-based services, and that the noninstitutional nature of this care setting must be preserved and protected by ensuring a regulatory structure that focuses on the actual care and services provided to residents, consumer satisfaction, and continuous quality improvement.
- The legislature also finds that residents and consumers of services in licensed boarding homes should be encouraged to exercise maximum

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independence, and the legislature declares that the state's rules for licensed boarding homes must also be designed to encourage individual dignity, autonomy, and choice.

The legislature further finds that consumers should be afforded access to affordable long-term care services in licensed boarding homes, and believes that care delivery must remain responsive to consumer preferences. Residents and consumers in licensed boarding homes should be afforded the right to self-direct care, and this right should be reflected in the rules governing licensed boarding homes.

10 **Sec. 2.** RCW 18.20.020 and 2000 c 47 s 1 are each amended to read 11 as follows:

As used in this chapter:

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- (1) (("Aged person" means a person of the age sixty-five years or more, or a person of less than sixty-five years who by reason of infirmity requires domiciliary care.
- 16 (2)) "Boarding home" means any home or other institution, however 17 named, which is advertised, announced, or maintained for the express or 18 implied purpose of providing board and domiciliary care to seven or more ((aged persons not related by blood or marriage to the operator)) 19 20 residents after July 1, 2000. However, a boarding home that is licensed to provide board and domiciliary care to three to six 21 ((persons)) residents on July 1, 2000, may maintain its boarding home 22 23 license as long as it is continually licensed as a boarding home. 24 "Boarding home" shall not include facilities certified as group training homes pursuant to RCW 71A.22.040, nor any home, institution or 25 26 section thereof which is otherwise licensed and regulated under the 27 provisions of state law providing specifically for the licensing and regulation of such home, institution or section thereof. Nor shall it 28 include any independent senior housing, independent living units in 29 30 continuing care retirement communities, or other similar living 31 situations including those subsidized by the department of housing and urban development. 32
  - ((+3))) (2) "Person" means any individual, firm, partnership, corporation, company, association, or joint stock association, and the legal successor thereof.
- 36  $((\frac{4}{}))$  "Secretary" means the secretary of social and health 37 services.

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 $((\frac{5}{}))$   $\underline{(4)}$  "Department" means the state department of social and 2 health services.

- (5) "Domiciliary care" means: Assistance with activities of daily living provided by the boarding home either directly or indirectly; or assuming general responsibility for the safety and well-being of the resident; or intermittent nursing services, if provided directly or indirectly by the boarding home. "Domiciliary care" does not include general observation or preadmission assessment for the purposes of transitioning to a licensed care setting.
- (6) "General responsibility for the safety and well-being of the resident" does not include: (a) Emergency assistance provided on an intermittent or nonroutine basis to any nonresident individual; or (b) services customarily provided under landlord tenant agreements governed by the residential landlord-tenant act, chapter 59.18 RCW. Such services do not include care or supervision.
- 16 (7) "Resident" means an individual who: Lives in a boarding home,
  17 including those receiving respite care; is not related by blood or
  18 marriage to the operator of the boarding home; and by reason of age or
  19 disability, receives domiciliary care provided either directly or
  20 indirectly by the boarding home.
- **Sec. 3.** RCW 18.20.030 and 1957 c 253 s 3 are each amended to read 22 as follows:
  - (1) After January 1, 1958, no person shall operate or maintain a boarding home as defined in this chapter within this state without a license under this chapter.
  - (2) A boarding home license is not required for the housing, or services, that are customarily provided under landlord tenant agreements governed by the residential landlord-tenant act, chapter 59.18 RCW, or when housing nonresident individuals who, without ongoing assistance from the boarding home, initiate and arrange for services provided by persons other than the boarding home licensee or the licensee's contractor. This subsection does not prohibit the licensee from furnishing written information concerning available community resources to the nonresident individual or the individual's family members or legal representatives. The licensee may not require the use of any particular service provider.

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(3) Residents receiving domiciliary care, directly or indirectly by the boarding home, are not considered nonresident individuals for the purposes of this section.

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(4) A boarding home license is not required for emergency assistance when that emergency assistance is not provided on a frequent or routine basis to any one nonresident individual and the nonresident individual resides in independent senior housing, independent living units in continuing care retirement communities, independent living units having common ownership with a licensed boarding home, or other similar living situations including those subsidized by the department of housing and urban development.

## 12 **Sec. 4.** RCW 18.20.050 and 2001 c 193 s 10 are each amended to read 13 as follows:

Upon receipt of an application for license, if the applicant and the boarding home facilities meet the requirements established under this chapter, the department shall issue a license. If there is a failure to comply with the provisions of this chapter or the standards and rules adopted pursuant thereto, the department may in its discretion issue to an applicant for a license, or for the renewal of a license, a provisional license which will permit the operation of the boarding home for a period to be determined by the department, but not to exceed twelve months, which provisional license shall not be subject to renewal. The department may also place conditions on the license under RCW 18.20.190. At the time of the application for or renewal of a license or provisional license the licensee shall pay a license fee as established by the department under RCW 43.20B.110. All licenses issued under the provisions of this chapter shall expire on a date to be set by the department, but no license issued pursuant to this chapter shall exceed twelve months in duration. However, when the annual license renewal date of a previously licensed boarding home is set by the department on a date less than twelve months prior to the expiration date of a license in effect at the time of reissuance, the license fee shall be prorated on a monthly basis and a credit be allowed at the first renewal of a license for any period of one month or more covered by the previous license. All applications for renewal of a license shall be made not later than thirty days prior to the date of expiration of the license. Each license shall be issued only for

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the premises and persons named in the application, and no license shall be transferable or assignable. Licenses shall be posted in a conspicuous place on the licensed premises.

A licensee who receives notification of the department's initiation of a denial, suspension, nonrenewal, or revocation of a boarding home license may, in lieu of appealing the department's action, surrender or relinquish the license. The department shall not issue a new license to or contract with the licensee, for the purposes of providing care to vulnerable adults or children, for a period of twenty years following the surrendering or relinquishment of the former license. licensing record shall indicate that the licensee relinquished or surrendered the license, without admitting the violations, after receiving notice of the department's initiation of a denial, suspension, nonrenewal, or revocation of a license.

## **Sec. 5.** RCW 18.20.125 and 2001 c 85 s 2 are each amended to read 16 as follows:

- (1) ((Monitoring should)) Inspections must be outcome based and responsive to resident complaints and <u>based on</u> a clear set of health, quality of care, and safety standards that are easily understandable and have been made available to facilities. This includes that when conducting licensing inspections, the department shall interview an appropriate percentage of residents, family members, and advocates in addition to interviewing appropriate staff.
- (2) Prompt and specific enforcement remedies shall also be implemented without delay, consistent with RCW 18.20.190, for facilities found to have delivered care or failed to deliver care resulting in problems that are serious, recurring, or uncorrected, or that create a hazard that is causing or likely to cause death or serious harm to one or more residents. These enforcement remedies may also include, when appropriate, reasonable conditions on a license. In the selection of remedies, the safety, health, and well-being of residents shall be of paramount importance.
- (3) To the extent funding is available, the licensee, administrator, and their staff should be screened through background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with

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- vulnerable adults. Employees may be provisionally hired pending the results of the background check if they have been given three positive references.
- (4) No licensee, administrator, or staff, or prospective licensee, 4 5 administrator, or staff, with a stipulated finding of fact, conclusion of law, and agreed order, or finding of fact, conclusion of law, or 6 7 final order issued by a disciplining authority, a court of law, or entered into the state registry finding him or her guilty of abuse, 8 9 neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and 10 have unsupervised access to vulnerable adults. 11
- 12 **Sec. 6.** RCW 18.20.190 and 2001 c 193 s 4 are each amended to read 13 as follows:
- 14 (1) The department of social and health services is authorized to 15 take one or more of the actions listed in subsection (2) of this 16 section in any case in which the department finds that a boarding home 17 provider has:
- 18 (a) Failed or refused to comply with the requirements of this 19 chapter or the rules adopted under this chapter;
- 20 (b) Operated a boarding home without a license or under a revoked license;
- (c) Knowingly, or with reason to know, made a false statement of material fact on his or her application for license or any data attached thereto, or in any matter under investigation by the department; or
- 26 (d) Willfully prevented or interfered with any inspection or investigation by the department.
- 28 (2) When authorized by subsection (1) of this section, the 29 department may take one or more of the following actions:
  - (a) Refuse to issue a license;

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- 31 (b) Impose reasonable conditions on a license, such as correction 32 within a specified time, training, and limits on the type of clients 33 the provider may admit or serve;
- 34 (c) Impose civil penalties of not more than one hundred dollars per 35 day per violation;
- 36 (d) Suspend, revoke, or refuse to renew a license; ((or))

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1 (e) Suspend admissions to the boarding home by imposing stop 2 placement; or

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- (f) Suspend admission of a specific category or categories of residents as related to the violation by imposing a limited stop placement.
- (3) When the department orders stop placement or a limited stop placement, the facility shall not admit any new resident until the stop placement or limited stop placement order is terminated. department may approve readmission of a resident to the facility from a hospital or nursing home during the stop placement or limited stop The department shall terminate the stop placement or placement. <u>limited stop placement</u> when: (a) The violations necessitating the stop placement or limited stop placement have been corrected; and (b) the provider exhibits the capacity to maintain correction of the violations previously found deficient. However, if upon the revisit the department finds new violations that the department reasonably believes will result in a new stop placement or new limited stop placement, the previous stop placement or limited stop placement shall remain in effect until the new stop placement or new limited stop placement is imposed.
- (4) After a department finding of a violation for which a stop placement or limited stop placement has been imposed, the department shall make an on-site revisit of the provider within fifteen working days from the request for revisit, to ensure correction of the violation. For violations that are serious or recurring or uncorrected following a previous citation, and create actual or threatened harm to one or more residents' well-being, including violations of residents' rights, the department shall make an on-site revisit as soon as appropriate to ensure correction of the violation. Verification of correction of all other violations may be made by either a department on-site revisit or by written or photographic documentation found by the department to be credible. This subsection does not prevent the department from enforcing license suspensions or revocations. Nothing in this subsection shall interfere with or diminish the department's authority and duty to ensure that the provider adequately cares for residents, including to make departmental on-site revisits as needed to ensure that the provider protects residents, and to enforce compliance with this chapter.

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- (5) RCW 43.20A.205 governs notice of a license denial, revocation, 1 2 suspension, or modification. Chapter 34.05 RCW applies to department actions under this section, except that orders of the department 3 imposing license suspension, stop placement, limited stop placement, or 4 5 conditions for continuation of a license are effective immediately upon notice and shall continue pending any hearing. 6
- 7 NEW SECTION. Sec. 7. A new section is added to chapter 18.20 RCW to read as follows: 8

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- (1) The boarding home must assume general responsibility for each resident and must promote each resident's health, safety, and wellbeing consistent with the resident negotiated care plan.
  - (2) The boarding home is not required to supervise the activities of a person providing care or services to a resident when the resident, or legal representative, has independently arranged for or contracted with the person and the person is not directly or indirectly controlled or paid by the boarding home. However, the boarding home is required to coordinate services with such person to the extent allowed by the resident, or legal representative, and consistent with the resident's negotiated care plan. Further, the boarding home is required to observe the resident and respond appropriately to any changes in the resident's overall functioning consistent with chapter 70.129 RCW, this chapter, and rules adopted under this chapter.
  - NEW SECTION. Sec. 8. (1) By December 12, 2004, the department shall report on the payment system for licensed boarding homes to the chairs of the health care committees of both houses of the legislature. The department shall include in the report its findings regarding the validity of the comprehensive assessment tool for categorizing residents into meaningful care and payment groups; its findings regarding the actual costs of providing care and services in each of the care payment levels; and its findings regarding the rates of payment, by level, that are necessary and reasonably related to the costs of providing care and services to medicaid residents.
- (2) To the extent funds are specifically provided for this purpose 33 34 in the biennial appropriations act, boarding home medicaid clients' payment rates shall not be lower than their payment rate existing as of 36 April 7, 2003.

SSB 5579 p. 8 (3) This section expires December 31, 2004.

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NEW SECTION. Sec. 9. The department shall by December 12, 2003, report to the chairs of the health care committees of both houses of the legislature, the results of the dementia care pilot program, including a report on the dementia care standards, the benefits of the dementia care program to residents, and the actual costs of providing dementia care and services to residents under the dementia care pilot program.

NEW SECTION. Sec. 10. Within existing funds, the department may implement a two-year statewide informal dispute resolution pilot program in order to determine the efficiencies and effectiveness of a centralized informal dispute resolution program. The provider must be allowed to appear at informal dispute resolution meetings either in person or by telephone. The department shall provide an opportunity for input from a resident or a resident representative.

NEW SECTION. Sec. 11. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the 17 state government and its existing public institutions, and takes effect 18 19 immediately.

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