(DIGEST AS ENACTED)

Requires the department to establish a capital add-on rate, not less than the July 1, 2005, capital add-on rate established by the department, for those assisted living facilities contracting with the department that have a medicaid minimum occupancy percentage of sixty percent or greater. The medicaid minimum occupancy percentage shall be determined on an annual basis.

Provides that the medicaid occupancy percentage established beginning on July 1, 2006, and for each July 1st thereafter, shall be used to determine whether an assisted living facility qualifies for the capital add-on rate under this section. Those facilities that qualify for the capital add-on rate shall receive the capital add-on rate throughout the applicable fiscal year.