

SHB 2082 - H AMD 781

By Representative Darneille

ADOPTED 05/13/2011

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1. Intent.** (1) The legislature finds that:

4 (a) Persons who have a long-term disability and apply for federal
5 supplemental security income benefits should receive assistance while
6 their application for federal benefits is pending, with repayment from
7 the federal government of state-funded income assistance paid through
8 the long-term disability assistance program;

9 (b) Persons who are incapacitated from gainful employment for an
10 extended period, but who may not meet the level of severity of a long-
11 term disability, are at increased risk of homelessness; and

12 (c) Persons who are homeless and suffering from significant medical
13 impairments, mental illness, or chemical dependency face substantial
14 barriers to successful participation in, and completion of, needed
15 medical or behavioral health treatment services. Stable housing
16 increases the likelihood of compliance with and completion of
17 treatment.

18 (2) Through this act, the legislature intends to:

19 (a) Terminate all components of the disability lifeline program
20 created in 2010 and codified in RCW 74.04.005 and create new programs:

21 (i) To provide financial grants through the long-term disability
22 assistance program, the aged, blind, and disabled assistance program,
23 and the pregnant women assistance program; and (ii) to provide services
24 through the essential needs and housing support program; and

25 (b) Increase opportunities to utilize limited public funding,
26 combined with private charitable and volunteer efforts to serve persons
27 who are recipients of the benefits provided by the new programs created
28 under this act.

1 NEW SECTION. **Sec. 2.** (1)(a) Effective November 1, 2011, the long-
2 term disability assistance program shall provide financial grants to
3 persons who:

4 (i) Are recipients of disability lifeline expedited benefits on
5 October 31, 2011, and continue to meet the eligibility requirements of
6 (a)(ii) of this subsection; or

7 (ii)(A) Are not eligible to receive federal aid assistance, other
8 than basic food benefits transferred electronically and medical
9 assistance;

10 (B) Are likely to meet the federal supplemental security income
11 disability standard. In making this determination, the department
12 should give full consideration to the cumulative impact of an
13 applicant's multiple impairments, an applicant's age, and vocational
14 and educational history but need not duplicate the full five-step
15 sequential review process set out in federal supplemental security
16 income regulations. To improve access to timely disability
17 evaluations, the department may allow mid-level practitioners, such as
18 advance registered nurse practitioners, and licensed mental health
19 practitioners, to conduct evaluations, with review and approval by
20 medical practitioners;

21 (C) Are citizens or aliens lawfully admitted for permanent
22 residence or otherwise residing in the United States under color of
23 law;

24 (D) Have furnished the department their social security number. If
25 the social security number cannot be furnished because it has not been
26 issued or is not known, an application for a number shall be made prior
27 to authorization of benefits, and the social security number shall be
28 provided to the department upon receipt;

29 (iii) Meet income and resource standards for the disability
30 lifeline program in effect on December 31, 2010; and

31 (iv) Have not refused or failed without good cause to participate
32 in drug or alcohol treatment if an assessment by a certified chemical
33 dependency counselor indicates a need for such treatment. Good cause
34 must be found to exist when a person's physical or mental condition, as
35 determined by the department, prevents the person from participating in
36 drug or alcohol dependency treatment, when needed outpatient drug or
37 alcohol treatment is not available to the person in the county of his

1 or her residence or when needed inpatient treatment is not available in
2 a location that is reasonably accessible for the person.

3 (b) The following persons are not eligible for the long-term
4 disability assistance program:

5 (i) Persons who are not able to engage in gainful employment due
6 primarily to alcohol or drug addiction. These persons shall be
7 referred to appropriate assessment, treatment, shelter, or supplemental
8 security income referral services as authorized under chapter 74.50
9 RCW. Referrals shall be made at the time of application or at the time
10 of eligibility review. This subsection may not be construed to
11 prohibit the department from granting long-term disability assistance
12 benefits to alcoholics and drug addicts who are incapacitated due to
13 other physical or mental conditions that meet the eligibility criteria
14 for the long-term disability assistance program;

15 (ii) Persons who refuse or fail to cooperate in obtaining federal
16 aid assistance, without good cause; and

17 (iii) Persons for whom there has been a final determination of
18 ineligibility for federal supplemental security income benefits.

19 (c) Persons may receive long-term disability assistance benefits
20 pending application for federal supplemental security income benefits.
21 The monetary value of any long-term disability assistance benefit that
22 is subsequently duplicated by the person's receipt of supplemental
23 security income for the same period shall be considered a debt due the
24 state and shall by operation of law be subject to recovery through all
25 available legal remedies.

26 (2) Effective November 1, 2011, the aged, blind, and disabled
27 assistance program shall provide financial grants to persons who:

28 (a) Are recipients of disability lifeline aged, blind, and disabled
29 benefits on October 31, 2011, and continue to meet the eligibility
30 requirements of (b) of this subsection; or

31 (b)(i) Are citizens or aliens lawfully admitted for permanent
32 residence or otherwise residing in the United States under color of
33 law;

34 (ii) Are likely to meet the federal supplemental security income
35 disability standard. In making this determination, the department
36 should give full consideration to the cumulative impact of an
37 applicant's multiple impairments, an applicant's age, and vocational

1 and educational history but need not duplicate the full five-step
2 sequential review process set out in federal supplemental security
3 income regulations;

4 (iii) Meet the income and resource standards for the disability
5 lifeline program in effect on December 31, 2010;

6 (iv) Have not refused or failed to cooperate in obtaining federal
7 aid assistance without good cause; and

8 (v) Have not refused or failed without good cause to participate in
9 drug or alcohol treatment if an assessment by a certified chemical
10 dependency counselor indicates a need for such treatment. Good cause
11 must be found to exist when a person's physical or mental condition, as
12 determined by the department, prevents the person from participating in
13 drug or alcohol dependency treatment, when needed outpatient drug or
14 alcohol treatment is not available to the person in the county of his
15 or her residence or when needed inpatient treatment is not available in
16 a location that is reasonably accessible for the person.

17 (3) Effective November 1, 2011, the pregnant women assistance
18 program shall provide financial grants to persons who:

19 (a) Are recipients of disability lifeline benefits as a pregnant
20 woman on October 31, 2011, and continue to meet the eligibility
21 requirements of (b) of this subsection; or

22 (b)(i) Are citizens or aliens lawfully admitted for permanent
23 residence or otherwise residing in the United States under color of
24 law;

25 (ii) Are pregnant and in need, based upon the current income and
26 resource standards of the federal temporary assistance for needy
27 families program, but are ineligible for federal temporary assistance
28 for needy families benefits for a reason other than failure to
29 cooperate in program requirements; and

30 (iii) Have not refused or failed without good cause to participate
31 in drug or alcohol treatment if an assessment by a certified chemical
32 dependency counselor indicates a need for such treatment. Good cause
33 must be found to exist when a person's physical or mental condition, as
34 determined by the department, prevents the person from participating in
35 drug or alcohol dependency treatment, when needed outpatient drug or
36 alcohol treatment is not available to the person in the county of his
37 or her residence or when needed inpatient treatment is not available in
38 a location that is reasonably accessible for the person.

1 (4) Effective November 1, 2011, referrals for essential needs and
2 housing support under section 4 of this act shall be provided to
3 persons found eligible for medical care services under RCW 74.09.035
4 who are not recipients of alcohol and addiction services provided under
5 chapter 74.50 RCW.

6 (5) No person may be considered an eligible individual for benefits
7 under this section with respect to any month if during that month the
8 person:

9 (a) Is fleeing to avoid prosecution of, or to avoid custody or
10 confinement for conviction of, a felony, or an attempt to commit a
11 felony, under the laws of the state of Washington or the place from
12 which the person flees; or

13 (b) Is violating a condition of probation, community supervision,
14 or parole imposed under federal or state law for a felony or gross
15 misdemeanor conviction.

16 (6) The department must review the cases of all persons, except
17 recipients of alcohol and addiction treatment under chapter 74.50 RCW,
18 who have received medical care services for twelve months, and annually
19 thereafter, to determine whether they are eligible for the long-term
20 disability assistance program. In determining whether an applicant is
21 likely to meet the eligibility requirements for the long-term
22 disability assistance program, the department should give full
23 consideration to the cumulative impact of an applicant's multiple
24 impairments, age, and vocational and educational history but need not
25 duplicate the full five-step sequential review process set out in
26 federal supplemental security income regulations. To improve access to
27 timely disability evaluations, the department may allow mid-level
28 practitioners, such as advanced registered nurse practitioners and
29 licensed mental health practitioners, to conduct evaluations, with
30 review and approval by medical practitioners.

31 NEW SECTION. **Sec. 3.** Funding for the essential needs and housing
32 support program established under section 4 of this act shall be as
33 follows: The total funding for the program shall be based on the
34 projected medical care services caseload, adjusted for discrepancies
35 between the grant and medical caseloads, and the estimated monthly
36 average of the cash assistance grant that was in effect as of July 1,

1 2011. In subsequent fiscal biennia, the total funding for the program
2 shall, at a minimum, retain the average per-client support level
3 provided in the previous fiscal biennium.

4 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.185C
5 RCW to read as follows:

6 **Grants to local governments and community-based organizations for**
7 **essential needs and housing support.** (1) The department shall
8 distribute funds for the essential needs and housing support program
9 established under this section in a manner consistent with the
10 requirements of this section. The first distribution of funds must be
11 completed by September 1, 2011. Receipt of essential needs or housing
12 support is not an entitlement for persons found eligible for such
13 services under section 2 of this act.

14 (2) The department shall distribute funds appropriated for the
15 essential needs and housing support program in the form of grants to
16 designated essential needs support and housing support entities within
17 each county using a formula based on the average number of clients
18 residing in the county who received either disability
19 lifeline-unemployable benefits or essential needs and support benefits
20 in each of the three preceding fiscal years. The formula shall be
21 applied beginning July 1, 2011, and updated annually. Between ten and
22 fifteen percent of the funds distributed to a county must be used to
23 provide essential needs support.

24 (3) For each county, the department shall designate an essential
25 needs support entity and a housing support entity that will begin
26 providing these supports to essential needs and housing support program
27 recipients on November 1, 2011. Essential needs and housing support
28 entities are not required to provide assistance to every essential
29 needs and housing support recipient that is referred to the local
30 entity or who meets the priority standards in subsection (4)(c) of this
31 section.

32 (a) Each designated entity must be a local government or
33 community-based organization, and may administer the funding for
34 essential needs support, housing support, or both. Designated entities
35 have the authority to subcontract with qualified entities. Upon
36 request, and the approval of the department, two or more counties may
37 combine resources to more effectively deliver services.

1 (b) The department's designation process must include a review of
2 proficiency in managing housing or human services programs when
3 designating housing support entities.

4 (c) Within a county, if the department directly awards separate
5 grants to the designated housing support entity and the designated
6 essential needs support entity, the department shall determine the
7 amount allocated for essential needs support within the range specified
8 in subsection (2) of this section.

9 (4)(a) Essential needs and housing support entities must use funds
10 distributed under this section as flexibly as is practicable to provide
11 essential needs items and housing support to recipients of the
12 essential needs and housing support program, subject to the
13 requirements of this section. Essential needs and housing support
14 shall not be provided in the form of cash assistance to recipients.

15 (b) Benefits provided under the essential needs and housing support
16 program shall not be provided to recipients in the form of cash
17 assistance.

18 (c) Designated housing support entities must not exceed either the:
19 (i) Average per-client support level established in the operating
20 budget for all clients served through their housing support program; or
21 (ii) maximum per-client support level established in the operating
22 budget for any individual client served through their housing support
23 program.

24 (d) In awarding housing support, the designated housing support
25 entity shall give first priority to clients who are in stable housing,
26 and for whom support will allow housing retention and who would be at
27 risk of homelessness without such housing support. Second priority
28 shall be given to clients who are receiving care coordination services
29 through the managed health care plan that has a contract with the state
30 to serve essential needs and housing support program recipients.
31 Within these priorities, additional local priorities for the use of
32 funds must be developed in the event that available resources are not
33 sufficient to provide service to all prioritized recipients who have
34 been referred for support.

35 (e) Essential needs and housing support entities must partner with
36 other public and private organizations to maximize the beneficial
37 impact of funds distributed under this section, and should attempt to
38 leverage other sources of public and private funds to serve essential

1 needs and housing support recipients. Funds appropriated in the
2 operating budget for essential needs and housing support must be used
3 only to serve persons eligible to receive services under that program.

4 (5) The department and each essential needs and housing support
5 entity shall minimize the percentage of funds used for administration
6 of the essential needs and housing support program to maximize funding
7 available for supports.

8 (6) The department shall:

9 (a) Require housing support entities to enter data into the
10 homeless client management information system;

11 (b) Require essential needs support entities to report on services
12 provided under this section;

13 (c) In collaboration with the department of social and health
14 services, submit a report annually to the relevant policy and fiscal
15 committees of the legislature. A preliminary report shall be submitted
16 by December 31, 2011, and must include (c)(i), (iii), and (v) of this
17 subsection. Annual reports must be submitted beginning December 1,
18 2012, and must include:

19 (i) A description of the actions the department has taken to
20 achieve the objectives of this act;

21 (ii) The amount of funds used by the department to administer the
22 program;

23 (iii) Information on the housing status of essential needs and
24 housing support recipients served by housing support entities, and
25 individuals referred for housing support by the department of social
26 and health services, but not receiving services;

27 (iv) Grantee expenditure data related to administration and
28 services provided under this section; and

29 (v) Efforts made to partner with other entities and leverage
30 sources or public and private funds;

31 (d) Review the data submitted by the designated entities, and make
32 recommendations for program improvements and administrative
33 efficiencies. The department has the authority to designate
34 alternative entities as necessary due to performance or other
35 significant issues. Such change must only be made after consultation
36 with the department of social and health services and the impacted
37 entity.

1 (7) The department, counties, and essential needs and housing
2 support entities are not civilly or criminally liable and may not have
3 any penalty or cause of action of any nature arise against them related
4 to decisions regarding: (a) The provision or lack of provision of
5 housing or essential needs support; or (b) the type of housing
6 arrangement supported with funds allocated under this section, when the
7 decision was made in good faith and in the performance of the powers
8 and duties under this section. However, this section does not prohibit
9 legal actions against the department, county, or essential needs or
10 housing support entity to enforce contractual duties or obligations.

11 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.185C
12 RCW to read as follows:

13 The department, in collaboration with the department of social and
14 health services, shall develop a mechanism through which the department
15 and local governments or community-based organizations can verify a
16 person has been determined eligible for medical care services under RCW
17 74.09.035 by the department of social and health services.

18 **Sec. 6.** RCW 74.09.035 and 2011 c 284 s 3 are each amended to read
19 as follows:

20 (1) To the extent of available funds, medical care services may be
21 provided to ~~((recipients of disability lifeline benefits, persons
22 denied disability lifeline benefits under RCW 74.04.005(5)(b) or
23 74.04.655 who otherwise meet the requirements of RCW 74.04.005(5)(a),
24 and recipients of alcohol and drug addiction services provided under
25 chapter 74.50 RCW, in accordance with medical eligibility requirements
26 established by the department.))~~:

27 (a) Persons who:

28 (i) Are incapacitated from gainful employment by reason of bodily
29 or mental infirmity that will likely continue for a minimum of ninety
30 days as determined by the department. The standard for incapacity in
31 this subsection, as evidenced by the ninety-day duration standard, is
32 not intended to be as stringent as federal supplemental security income
33 disability standards;

34 (ii) Are citizens or aliens lawfully admitted for permanent
35 residence or otherwise residing in the United States under color of
36 law;

1 (iii) Have furnished the department their social security number.
2 If the social security number cannot be furnished because it has not
3 been issued or is not known, an application for a number shall be made
4 prior to authorization of benefits, and the social security number
5 shall be provided to the department upon receipt;

6 (iv) Have countable income as described in RCW 74.04.005 at or
7 below four hundred twenty-eight dollars for a married couple or at or
8 below three hundred thirty-nine dollars for a single individual; and

9 (v) Do not have countable resources in excess of those described in
10 RCW 74.04.005.

11 (b) Persons eligible for the aged, blind, or disabled assistance
12 program authorized in section 2(2) of this act.

13 (c) Persons eligible for alcohol and drug addiction services
14 provided under chapter 74.50 RCW, in accordance with medical
15 eligibility requirements established by the department.

16 (d) The following persons are not eligible for medical care
17 services:

18 (i) Persons who are unemployable due primarily to alcohol or drug
19 addiction, except as provided in (c) of this subsection. These persons
20 shall be referred to appropriate assessment, treatment, shelter, or
21 supplemental security income referral services as authorized under
22 chapter 74.50 RCW. Referrals shall be made at the time of application
23 or at the time of eligibility review. This subsection shall not be
24 construed to prohibit the department from granting medical care
25 services benefits to alcoholics and drug addicts who are incapacitated
26 due to other physical or mental conditions that meet the eligibility
27 criteria for the disability lifeline program;

28 (ii) Persons who refuse or fail to cooperate in obtaining federal
29 aid assistance, without good cause;

30 (iii) Persons who refuse or fail without good cause to participate
31 in drug or alcohol treatment if an assessment by a certified chemical
32 dependency counselor indicates a need for such treatment. Good cause
33 must be found to exist when a person's physical or mental condition, as
34 determined by the department, prevents the person from participating in
35 drug or alcohol dependency treatment, when needed outpatient drug or
36 alcohol treatment is not available to the person in the county of his
37 or her residence or when needed inpatient treatment is not available in
38 a location that is reasonably accessible for the person; and

1 (iv) Persons who are fleeing to avoid prosecution of, or to avoid
2 custody or confinement for conviction of, a felony, or an attempt to
3 commit a felony, under the laws of the state of Washington or the place
4 from which the person flees; or who are violating a condition of
5 probation, community supervision, or parole imposed under federal or
6 state law for a felony or gross misdemeanor conviction.

7 (e) For purposes of determining whether a person is incapacitated
8 from gainful employment under (a) of this subsection:

9 (i) The department shall adopt by rule medical criteria for
10 incapacity determinations to ensure that eligibility decisions are
11 consistent with statutory requirements and are based on clear,
12 objective medical information; and

13 (ii) The process implementing the medical criteria shall involve
14 consideration of opinions of the treating or consulting physicians or
15 health care professionals regarding incapacity, and any eligibility
16 decision which rejects uncontroverted medical opinion must set forth
17 clear and convincing reasons for doing so.

18 (f) For purposes of reviewing a person's continuing eligibility and
19 in order to remain eligible for the program, persons who have been
20 found to have an incapacity from gainful employment must demonstrate
21 that there has been no material improvement in their medical or mental
22 health condition. The department may discontinue benefits when there
23 was specific error in the prior determination that found the person
24 eligible by reason of incapacitation.

25 (2) Enrollment in medical care services may not result in
26 expenditures that exceed the amount that has been appropriated in the
27 operating budget. If it appears that continued enrollment will result
28 in expenditures exceeding the appropriated level for a particular
29 fiscal year, the department may freeze new enrollment and establish a
30 waiting list of ((eligible)) persons who may receive benefits only when
31 sufficient funds are available. ((Upon implementation of a federal
32 medicaid 1115 waiver providing federal matching funds for medical care
33 services, persons subject to termination of disability lifeline
34 benefits under RCW 74.04.005(5)(h) remain enrolled in medical care
35 services and persons subject to denial of disability lifeline benefits
36 under RCW 74.04.005(5)(h) remain eligible for medical care services.

37 (+2)) (3) Determination of the amount, scope, and duration of
38 medical care services shall be limited to coverage as defined by the

1 department, except that adult dental, and routine foot care shall not
2 be included unless there is a specific appropriation for these
3 services.

4 ~~((+3))~~ (4) The department shall enter into performance-based
5 contracts with one or more managed health care systems for the
6 provision of medical care services ~~((to recipients of disability
7 lifeline benefits))~~ under this section. The contract must provide for
8 integrated delivery of medical and mental health services.

9 ~~((+4))~~ (5) The department shall establish standards of assistance
10 and resource and income exemptions, which may include deductibles and
11 co- insurance provisions. In addition, the department may include a
12 prohibition against the voluntary assignment of property or cash for
13 the purpose of qualifying for assistance.

14 ~~((+5))~~ (6) Residents of skilled nursing homes, intermediate care
15 facilities, and intermediate care facilities for persons with
16 intellectual disabilities, as that term is described by federal law,
17 who are eligible for medical care services shall be provided medical
18 services to the same extent as provided to those persons eligible under
19 the medical assistance program.

20 ~~((+6) Eligibility for medical care services shall commence with the
21 date of certification for disability lifeline benefits or the date of
22 eligibility for alcohol and drug addiction services provided under
23 chapter 74.50 RCW.))~~

24 (7) Eligibility for medical care services shall commence with the
25 date of certification for medical services, date of eligibility for the
26 aged, blind, or disabled assistance program provider under section 2(2)
27 of this act, or the date or eligibility for alcohol and drug addiction
28 services provided under chapter 74.50 RCW.

29 NEW SECTION. Sec. 7. For the purposes of this chapter, unless the
30 context indicates otherwise, the following definitions shall apply:

31 (1) "Aged, blind, and disabled assistance program" means the
32 program established under section 2 of this act.

33 (2) "Applicant" means any person who has made a request, or on
34 behalf of whom a request has been made, to any county or local office
35 for assistance.

36 (3) "Department" means the department of social and health
37 services.

1 (4) "Director" or "secretary" means the secretary of social and
2 health services.

3 (5) "Essential needs and housing support program" means the program
4 established under section 4 of this act.

5 (6) "Essential needs support" means personal health and hygiene
6 items, cleaning supplies, other necessary items and transportation
7 passes or tokens provided through an essential needs support entity
8 established under section 4 of this act.

9 (7) "Federal aid assistance" means the specific categories of
10 assistance for which provision is made in any federal law existing or
11 hereafter passed by which payments are made from the federal government
12 to the state in aid or in respect to payment by the state for public
13 assistance rendered to any category of needy persons for which
14 provision for federal funds or aid may from time to time be made, or a
15 federally administered needs-based program.

16 (8) "Housing support" means assistance provided by a designated
17 housing support entity established under section 4 of this act to
18 maintain existing housing, to obtain housing, or to obtain heat,
19 electricity, natural gas, sewer, garbage, and water services.

20 (9) "Income" means:

21 (a) All appreciable gains in real or personal property (cash or
22 kind) or other assets, which are received by or become available for
23 use and enjoyment by an applicant or recipient during the month of
24 application or after applying for or receiving public assistance. The
25 department may by rule and regulation exempt income received by an
26 applicant for or recipient of public assistance which can be used by
27 him or her to decrease his or her need for public assistance or to aid
28 in rehabilitating him or her or his or her dependents, but such
29 exemption shall not, unless otherwise provided in this title, exceed
30 the exemptions of resources granted under this chapter to an applicant
31 for public assistance. In addition, for cash assistance the department
32 may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

33 (b) If, under applicable federal requirements, the state has the
34 option of considering property in the form of lump sum compensatory
35 awards or related settlements received by an applicant or recipient as
36 income or as a resource, the department shall consider such property to
37 be a resource.

1 (10) "Long-term disability assistance program" means the program
2 established under section 2 of this act.

3 (11) "Need" means the difference between the applicant's or
4 recipient's standards of assistance for himself or herself and the
5 dependent members of his or her family, as measured by the standards of
6 the department, and value of all nonexempt resources and nonexempt
7 income received by or available to the applicant or recipient and the
8 dependent members of his or her family.

9 (12) "Pregnant women assistance program" means the program
10 established under section 2 of this act.

11 (13) "Recipient" means any person receiving assistance and in
12 addition those dependents whose needs are included in the recipient's
13 assistance.

14 (14)(a) "Resource" means any asset, tangible or intangible, owned
15 by or available to the applicant at the time of application, which can
16 be applied toward meeting the applicant's need, either directly or by
17 conversion into money or its equivalent. The department may by rule
18 designate resources that an applicant may retain and not be ineligible
19 for public assistance because of such resources. Exempt resources
20 shall include, but are not limited to:

21 (i) A home that an applicant, recipient, or their dependents is
22 living in, including the surrounding property;

23 (ii) Household furnishings and personal effects;

24 (iii) A motor vehicle, other than a motor home, used and useful
25 having an equity value not to exceed five thousand dollars;

26 (iv) A motor vehicle necessary to transport a household member with
27 a physical disability. This exclusion is limited to one vehicle per
28 person with a physical disability; and

29 (v) All other resources, including any excess of values exempted,
30 not to exceed one thousand dollars or other limit as set by the
31 department, to be consistent with limitations on resources and
32 exemptions necessary for federal aid assistance. The department shall
33 also allow recipients of temporary assistance for needy families to
34 exempt savings accounts with combined balances of up to an additional
35 three thousand dollars.

36 (b) Applicants for or recipients of benefits under this chapter
37 shall have their eligibility based on resource limitations consistent

1 with the temporary assistance for needy families program rules adopted
2 by the department.

3 (c) If an applicant for or recipient of public assistance possesses
4 property and belongings in excess of the ceiling value, such value
5 shall be used in determining the need of the applicant or recipient,
6 except that: (i) The department may exempt resources or income when
7 the income and resources are determined necessary to the applicant's or
8 recipient's restoration to independence, to decrease the need for
9 public assistance, or to aid in rehabilitating the applicant or
10 recipient or a dependent of the applicant or recipient; and (ii) the
11 department may provide grant assistance for a period not to exceed nine
12 months from the date the agreement is signed pursuant to this section
13 to persons who are otherwise ineligible because of excess real property
14 owned by such persons when they are making a good faith effort to
15 dispose of that property: PROVIDED, That:

16 (A) The applicant or recipient signs an agreement to repay the
17 lesser of the amount of aid received or the net proceeds of such sale;

18 (B) If the owner of the excess property ceases to make good faith
19 efforts to sell the property, the entire amount of assistance may
20 become an overpayment and a debt due the state and may be recovered
21 pursuant to RCW 43.20B.630;

22 (C) Applicants and recipients are advised of their right to a fair
23 hearing and afforded the opportunity to challenge a decision that good
24 faith efforts to sell have ceased, prior to assessment of an
25 overpayment under this section; and

26 (D) At the time assistance is authorized, the department files a
27 lien without a sum certain on the specific property.

28 (15) For purposes of determining eligibility for public assistance
29 and participation levels in the cost of medical care, the department
30 shall exempt restitution payments made to people of Japanese and Aleut
31 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian
32 and Pribilof Island Restitution Act passed by congress, P.L. 100-383,
33 including all income and resources derived therefrom.

34 (16) In the construction of words and phrases used in this chapter,
35 the singular number shall include the plural, the masculine gender
36 shall include both the feminine and neuter genders, and the present
37 tense shall include the past and future tenses, unless the context
38 thereof shall clearly indicate to the contrary.

1 **Sec. 8.** RCW 74.04.005 and 2010 1st sp.s. c 8 s 4 are each amended
2 to read as follows:

3 For the purposes of this title, unless the context indicates
4 otherwise, the following definitions shall apply:

5 (1) "Public assistance" or "assistance"(~~(—)~~) means public aid to
6 persons in need thereof for any cause, including services, medical
7 care, assistance grants, disbursing orders, work relief, (~~(disability~~
8 lifeline)) benefits under sections 2 and 4 of this act, and federal aid
9 assistance.

10 (2) "Department"(~~(—)~~) means the department of social and health
11 services.

12 (3) "County or local office"(~~(—)~~) means the administrative office
13 for one or more counties or designated service areas.

14 (4) "Director" or "secretary" means the secretary of social and
15 health services.

16 (5) "~~(Disability lifeline)~~ Essential needs and housing support
17 program" means (~~(a program that provides aid and support in accordance~~
18 with the conditions set out in this subsection.

19 ~~(a) Aid and assistance shall be provided to persons who are not~~
20 ~~eligible to receive federal aid assistance, other than basic food~~
21 ~~benefits transferred electronically and medical assistance and meet one~~
22 ~~of the following conditions:~~

23 ~~(i) Are pregnant and in need, based upon the current income and~~
24 ~~resource requirements of the federal temporary assistance for needy~~
25 ~~families program; or~~

26 ~~(ii) Are incapacitated from gainful employment by reason of bodily~~
27 ~~or mental infirmity that will likely continue for a minimum of ninety~~
28 ~~days as determined by the department. The standard for incapacity in~~
29 ~~this subsection, as evidenced by the ninety-day duration standard, is~~
30 ~~not intended to be as stringent as federal supplemental security income~~
31 ~~disability standards; and~~

32 ~~(A) Are citizens or aliens lawfully admitted for permanent~~
33 ~~residence or otherwise residing in the United States under color of~~
34 ~~law;~~

35 ~~(B) Have furnished the department their social security number. If~~
36 ~~the social security number cannot be furnished because it has not been~~
37 ~~issued or is not known, an application for a number shall be made prior~~

1 to authorization of benefits, and the social security number shall be
2 provided to the department upon receipt;

3 (C) Have not refused or failed without good cause to participate in
4 drug or alcohol treatment if an assessment by a certified chemical
5 dependency counselor indicates a need for such treatment. Good cause
6 must be found to exist when a person's physical or mental condition, as
7 determined by the department, prevents the person from participating in
8 drug or alcohol dependency treatment, when needed outpatient drug or
9 alcohol treatment is not available to the person in the county of his
10 or her residence or when needed inpatient treatment is not available in
11 a location that is reasonably accessible for the person; and

12 (D) Have not refused or failed without good cause to participate in
13 vocational rehabilitation services, if an assessment conducted under
14 RCW 74.04.655 indicates that the person might benefit from such
15 services. Good cause must be found to exist when a person's physical
16 or mental condition, as determined by the department, prevents the
17 person from participating in vocational rehabilitation services, or
18 when vocational rehabilitation services are not available to the person
19 in the county of his or her residence.

20 (b)(i) Persons who initially apply and are found eligible for
21 disability lifeline benefits based upon incapacity from gainful
22 employment under (a) of this subsection on or after September 2, 2010,
23 who are homeless and have been assessed as needing chemical dependency
24 or mental health treatment or both, must agree, as a condition of
25 eligibility for the disability lifeline program, to accept a housing
26 voucher in lieu of a cash grant if a voucher is available. The
27 department shall establish the dollar value of the housing voucher.
28 The dollar value of the housing voucher may differ from the value of
29 the cash grant. Persons receiving a housing voucher under this
30 subsection also shall receive a cash stipend of fifty dollars per
31 month.

32 (ii) If the department of commerce has determined under RCW
33 43.330.175 that sufficient housing is not available, persons described
34 in this subsection who apply for disability lifeline benefits during
35 the time period that housing is not available shall receive a cash
36 grant in lieu of a cash stipend and housing voucher.

37 (iii) Persons who refuse to accept a housing voucher under this

1 ~~subsection but otherwise meet the eligibility requirements of (a) of~~
2 ~~this subsection are eligible for medical care services benefits under~~
3 ~~RCW 74.09.035, subject to the time limits in (h) of this subsection.~~

4 ~~(c) The following persons are not eligible for the disability~~
5 ~~lifeline program:~~

6 ~~(i) Persons who are unemployable due primarily to alcohol or drug~~
7 ~~addiction. These persons shall be referred to appropriate assessment,~~
8 ~~treatment, shelter, or supplemental security income referral services~~
9 ~~as authorized under chapter 74.50 RCW. Referrals shall be made at the~~
10 ~~time of application or at the time of eligibility review. This~~
11 ~~subsection shall not be construed to prohibit the department from~~
12 ~~granting disability lifeline benefits to alcoholics and drug addicts~~
13 ~~who are incapacitated due to other physical or mental conditions that~~
14 ~~meet the eligibility criteria for the disability lifeline program;~~

15 ~~(ii) Persons who refuse or fail to cooperate in obtaining federal~~
16 ~~aid assistance, without good cause.~~

17 ~~(d) Disability lifeline benefits shall be provided only to persons~~
18 ~~who are not members of assistance units receiving federal aid~~
19 ~~assistance, except as provided in (a) of this subsection, and who will~~
20 ~~accept available services that can reasonably be expected to enable the~~
21 ~~person to work or reduce the need for assistance unless there is good~~
22 ~~cause to refuse. Failure to accept such services shall result in~~
23 ~~termination until the person agrees to cooperate in accepting such~~
24 ~~services and subject to the following maximum periods of ineligibility~~
25 ~~after reapplication:~~

26 ~~(i) First failure: One week;~~

27 ~~(ii) Second failure within six months: One month;~~

28 ~~(iii) Third and subsequent failure within one year: Two months.~~

29 ~~(e) Persons who are likely eligible for federal supplemental~~
30 ~~security income benefits shall be moved into the disability lifeline~~
31 ~~expedited component of the disability lifeline program. Persons placed~~
32 ~~in the expedited component of the program may, if otherwise eligible,~~
33 ~~receive disability lifeline benefits pending application for federal~~
34 ~~supplemental security income benefits. The monetary value of any~~
35 ~~disability lifeline benefit that is subsequently duplicated by the~~
36 ~~person's receipt of supplemental security income for the same period~~
37 ~~shall be considered a debt due the state and shall by operation of law~~
38 ~~be subject to recovery through all available legal remedies.~~

1 ~~(f) For purposes of determining whether a person is incapacitated~~
2 ~~from gainful employment under (a) of this subsection:~~

3 ~~(i) The department shall adopt by rule medical criteria for~~
4 ~~disability lifeline incapacity determinations to ensure that~~
5 ~~eligibility decisions are consistent with statutory requirements and~~
6 ~~are based on clear, objective medical information; and~~

7 ~~(ii) The process implementing the medical criteria shall involve~~
8 ~~consideration of opinions of the treating or consulting physicians or~~
9 ~~health care professionals regarding incapacity, and any eligibility~~
10 ~~decision which rejects uncontroverted medical opinion must set forth~~
11 ~~clear and convincing reasons for doing so.~~

12 ~~(g) Persons receiving disability lifeline benefits based upon a~~
13 ~~finding of incapacity from gainful employment who remain otherwise~~
14 ~~eligible shall have their benefits discontinued unless the recipient~~
15 ~~demonstrates no material improvement in their medical or mental health~~
16 ~~condition. The department may discontinue benefits when there was~~
17 ~~specific error in the prior determination that found the person~~
18 ~~eligible by reason of incapacitation.~~

19 ~~(h)(i) Beginning September 1, 2010, no person who is currently~~
20 ~~receiving or becomes eligible for disability lifeline program benefits~~
21 ~~shall be eligible to receive benefits under the program for more than~~
22 ~~twenty four months in a sixty month period. For purposes of this~~
23 ~~subsection, months of receipt of general assistance unemployable~~
24 ~~benefits count toward the twenty four month limit. Months during which~~
25 ~~a person received benefits under the expedited component of the~~
26 ~~disability lifeline or general assistance program or under the aged,~~
27 ~~blind, or disabled component of the disability lifeline or general~~
28 ~~assistance program shall not be included when determining whether a~~
29 ~~person has been receiving benefits for more than twenty four months.~~
30 ~~On or before July 1, 2010, the department must review the cases of all~~
31 ~~persons who have received disability lifeline benefits or general~~
32 ~~assistance unemployable benefits for at least twenty months as of that~~
33 ~~date. On or before September 1, 2010, the department must review the~~
34 ~~cases of all remaining persons who have received disability lifeline~~
35 ~~benefits for at least twelve months as of that date. The review should~~
36 ~~determine whether the person meets the federal supplemental security~~
37 ~~income disability standard and, if the person does not meet that~~
38 ~~standard, whether the receipt of additional services could lead to~~

1 employability. If a need for additional services is identified, the
2 department shall provide case management services, such as assistance
3 with arranging transportation or locating stable housing, that will
4 facilitate the person's access to needed services. A person may not be
5 determined ineligible due to exceeding the time limit unless he or she
6 has received a case review under this subsection finding that the
7 person does not meet the federal supplemental security income
8 disability standard.

9 (ii) ~~The time limits established under this subsection expire June~~
10 ~~30, 2013.~~

11 (i) ~~No person may be considered an eligible individual for~~
12 ~~disability lifeline benefits with respect to any month if during that~~
13 ~~month the person:~~

14 (i) ~~Is fleeing to avoid prosecution of, or to avoid custody or~~
15 ~~confinement for conviction of, a felony, or an attempt to commit a~~
16 ~~felony, under the laws of the state of Washington or the place from~~
17 ~~which the person flees; or~~

18 (ii) ~~Is violating a condition of probation, community supervision,~~
19 ~~or parole imposed under federal or state law for a felony or gross~~
20 ~~misdemeanor conviction)) the program established in section 4 of this~~
21 ~~act.~~

22 (6) "Long-term disability ((lifeline expedited)) assistance
23 program" means ((~~a component of the disability lifeline program under~~
24 ~~which persons receiving disability lifeline benefits have been~~
25 ~~determined, after examination by an appropriate health care provider,~~
26 ~~to be likely to be eligible for federal supplemental security income~~
27 ~~benefits based on medical and behavioral health evidence that meets the~~
28 ~~disability standards used for the federal supplemental security income~~
29 ~~program)) the program established under section 2 of this act.~~

30 (7) "Aged, blind, and disabled assistance program" means the
31 program established under section 2 of this act.

32 (8) "Federal aid assistance"((—)) means the specific categories of
33 assistance for which provision is made in any federal law existing or
34 hereafter passed by which payments are made from the federal government
35 to the state in aid or in respect to payment by the state for public
36 assistance rendered to any category of needy persons for which
37 provision for federal funds or aid may from time to time be made, or a
38 federally administered needs-based program.

1 ((+8+)) (9) "Applicant"((—)) means any person who has made a
2 request, or on behalf of whom a request has been made, to any county or
3 local office for assistance.

4 ((+9+)) (10) "Recipient"((—)) means any person receiving
5 assistance and in addition those dependents whose needs are included in
6 the recipient's assistance.

7 ((+10+)) (11) "Standards of assistance"((—)) means the level of
8 income required by an applicant or recipient to maintain a level of
9 living specified by the department.

10 ((+11+)) (12) "Resource"((—)) means any asset, tangible or
11 intangible, owned by or available to the applicant at the time of
12 application, which can be applied toward meeting the applicant's need,
13 either directly or by conversion into money or its equivalent. The
14 department may by rule designate resources that an applicant may retain
15 and not be ineligible for public assistance because of such resources.
16 Exempt resources shall include, but are not limited to:

17 (a) A home that an applicant, recipient, or their dependents is
18 living in, including the surrounding property;

19 (b) Household furnishings and personal effects;

20 (c) A motor vehicle, other than a motor home, used and useful
21 having an equity value not to exceed five thousand dollars;

22 (d) A motor vehicle necessary to transport a household member with
23 a physical disability. This exclusion is limited to one vehicle per
24 person with a physical disability;

25 (e) All other resources, including any excess of values exempted,
26 not to exceed one thousand dollars or other limit as set by the
27 department, to be consistent with limitations on resources and
28 exemptions necessary for federal aid assistance. The department shall
29 also allow recipients of temporary assistance for needy families to
30 exempt savings accounts with combined balances of up to an additional
31 three thousand dollars;

32 (f) Applicants for or recipients of ((~~disability~~—lifeline))
33 benefits under sections 2 and 4 of this act shall have their
34 eligibility based on resource limitations consistent with the temporary
35 assistance for needy families program rules adopted by the department;
36 and

37 (g) If an applicant for or recipient of public assistance possesses
38 property and belongings in excess of the ceiling value, such value

1 shall be used in determining the need of the applicant or recipient,
2 except that: (i) The department may exempt resources or income when
3 the income and resources are determined necessary to the applicant's or
4 recipient's restoration to independence, to decrease the need for
5 public assistance, or to aid in rehabilitating the applicant or
6 recipient or a dependent of the applicant or recipient; and (ii) the
7 department may provide grant assistance for a period not to exceed nine
8 months from the date the agreement is signed pursuant to this section
9 to persons who are otherwise ineligible because of excess real property
10 owned by such persons when they are making a good faith effort to
11 dispose of that property: PROVIDED, That:

12 (A) The applicant or recipient signs an agreement to repay the
13 lesser of the amount of aid received or the net proceeds of such sale;

14 (B) If the owner of the excess property ceases to make good faith
15 efforts to sell the property, the entire amount of assistance may
16 become an overpayment and a debt due the state and may be recovered
17 pursuant to RCW 43.20B.630;

18 (C) Applicants and recipients are advised of their right to a fair
19 hearing and afforded the opportunity to challenge a decision that good
20 faith efforts to sell have ceased, prior to assessment of an
21 overpayment under this section; and

22 (D) At the time assistance is authorized, the department files a
23 lien without a sum certain on the specific property.

24 (~~(+12+)~~) (13) "Income"(~~(—)~~) means:

25 (a) All appreciable gains in real or personal property (cash or
26 kind) or other assets, which are received by or become available for
27 use and enjoyment by an applicant or recipient during the month of
28 application or after applying for or receiving public assistance. The
29 department may by rule and regulation exempt income received by an
30 applicant for or recipient of public assistance which can be used by
31 him or her to decrease his or her need for public assistance or to aid
32 in rehabilitating him or her or his or her dependents, but such
33 exemption shall not, unless otherwise provided in this title, exceed
34 the exemptions of resources granted under this chapter to an applicant
35 for public assistance. In addition, for cash assistance the department
36 may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

37 (b) If, under applicable federal requirements, the state has the
38 option of considering property in the form of lump sum compensatory

1 awards or related settlements received by an applicant or recipient as
2 income or as a resource, the department shall consider such property to
3 be a resource.

4 ~~((+13+))~~ (14) "Need"~~((--))~~ means the difference between the
5 applicant's or recipient's standards of assistance for himself or
6 herself and the dependent members of his or her family, as measured by
7 the standards of the department, and value of all nonexempt resources
8 and nonexempt income received by or available to the applicant or
9 recipient and the dependent members of his or her family.

10 ~~((+14+))~~ (15) For purposes of determining eligibility for public
11 assistance and participation levels in the cost of medical care, the
12 department shall exempt restitution payments made to people of Japanese
13 and Aleut ancestry pursuant to the Civil Liberties Act of 1988 and the
14 Aleutian and Pribilof Island Restitution Act passed by congress, P.L.
15 100-383, including all income and resources derived therefrom.

16 ~~((+15+))~~ (16) In the construction of words and phrases used in this
17 title, the singular number shall include the plural, the masculine
18 gender shall include both the feminine and neuter genders, and the
19 present tense shall include the past and future tenses, unless the
20 context thereof shall clearly indicate to the contrary.

21 **Sec. 9.** RCW 74.50.055 and 1989 1st ex.s. c 18 s 4 are each amended
22 to read as follows:

23 (1) A person shall not be eligible for treatment services under
24 this chapter unless he or she:

25 (a) Meets the ~~((financial))~~ income and resource eligibility
26 requirements ~~((contained in RCW 74.04.005))~~ for the medical care
27 services program under RCW 74.09.035(1)(a)(iv) and (v); and

28 (b) Is incapacitated from gainful employment, which incapacity will
29 likely continue for a minimum of sixty days.

30 (2) First priority for receipt of treatment services shall be given
31 to pregnant women and parents of young children.

32 (3) In order to rationally allocate treatment services, the
33 department may establish by rule caseload ceilings and additional
34 eligibility criteria, including the setting of priorities among classes
35 of persons for the receipt of treatment services. Any such rules shall
36 be consistent with any conditions or limitations contained in any
37 appropriations for treatment services.

1 **Sec. 10.** RCW 70.96A.530 and 2010 1st sp.s. c 8 s 10 are each
2 amended to read as follows:

3 If an assessment by a certified chemical dependency counselor
4 indicates a need for drug or alcohol treatment, in order to enable a
5 person receiving (~~(disability lifeline)~~) benefits under sections 2 and
6 4 of this act to improve his or her health status and transition from
7 (~~(disability lifeline)~~) those benefits to employment, or transition to
8 federal disability benefits, the person must be given high priority for
9 enrollment in treatment, within funds appropriated for that treatment.
10 However, first priority for receipt of treatment services must be given
11 to pregnant women and parents of young children. This section expires
12 June 30, 2013. (~~(Persons who are terminated from disability lifeline~~
13 ~~benefits under RCW 74.04.005(5)(h) and are actively engaged in chemical~~
14 ~~dependency treatment during the month they are terminated shall be~~
15 ~~provided the opportunity to complete their current course of~~
16 ~~treatment.))~~)

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

- 19 (1) RCW 43.330.175 (Disability lifeline housing voucher program)
20 and 2010 1st sp.s. c 8 s 8; and
21 (2) RCW 74.04.810 (Study of disability lifeline program
22 terminations--Report) and 2010 1st sp.s. c 8 s 11.

23 NEW SECTION. **Sec. 12.** The code reviser shall alphabetize the
24 subsections containing definitions in RCW 74.04.005.

25 NEW SECTION. **Sec. 13.** Sections 1 through 3 and 7 of this act
26 constitute a new chapter in Title 74 RCW.

27 NEW SECTION. **Sec. 14.** Section 10 of this act expires June 30,
28 2013.

29 NEW SECTION. **Sec. 15.** Except for sections 6 and 8 of this act,
30 this act is necessary for the immediate preservation of the public
31 peace, health, or safety, or support of the state government and its
32 existing public institutions, and takes effect immediately.

1 NEW SECTION. **Sec. 16.** Section 6 of this act is necessary for the
2 immediate preservation of the public peace, health, or safety, or
3 support of the state government and its existing public institutions,
4 and takes effect July 22, 2011.

5 NEW SECTION. **Sec. 17.** Section 8 of this act takes effect November
6 1, 2011."

7 Correct the title.

EFFECT: (1) Clarifies intent section regarding the termination of the Disability Lifeline Program and the creation of new programs.

(2) Clarifies the eligibility standards for persons for the Long-Term Disability Assistance Program, the Aged, Blind, and Disabled Assistance Program, and the Pregnant Women Assistance Program and that recipients under those programs receive a financial grant.

(3) Expressly states the eligibility standards for the medical services program which are the same as the current eligibility standards for medical services and the 1115 medical care waiver.

(4) Clarifies basis for funding for the Essential Needs and Housing Support Program.

(5) Clarifies the requirements for reports to the Legislature regarding the Essential Needs and Housing Support Program.

(6) Makes technical changes regarding the statutory financial eligibility requirements for alcohol and drug addiction treatment to reflect program changes under the act.

(7) Makes technical changes regarding the effective dates of the sections of the act.

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