**1725-S2 AMH CODY H4772.2 - NOT FOR FLOOR USE**

**2SHB 1725** - H AMD **981**

By Representative Cody

**ADOPTED 03/29/2016**

Strike everything after the enacting clause and insert the following:

"**Sec.**  RCW 74.39A.270 and 2011 1st sp.s. c 21 s 10 are each amended to read as follows:

(1) Solely for the purposes of collective bargaining and as expressly limited under subsections (2) and (3) of this section, the governor is the public employer, as defined in chapter 41.56 RCW, of individual providers, who, solely for the purposes of collective bargaining, are public employees as defined in chapter 41.56 RCW. To accommodate the role of the state as payor for the community-based services provided under this chapter and to ensure coordination with state employee collective bargaining under chapter 41.80 RCW and the coordination necessary to implement RCW 74.39A.300, the public employer shall be represented for bargaining purposes by the governor or the governor's designee appointed under chapter 41.80 RCW. The governor or governor's designee shall periodically consult with the authority during the collective bargaining process to allow the authority to communicate issues relating to the long-term in-home care services received by consumers. The department shall solicit input from the developmental disabilities council, the governor's committee on disability issues and employment, the state council on aging, and other consumer advocacy organizations to obtain informed input from consumers on their interests, including impacts on consumer choice, for all issues proposed for collective bargaining under subsections (5) and (6) of this section.

(2) Chapter 41.56 RCW governs the collective bargaining relationship between the governor and individual providers, except as otherwise expressly provided in this chapter and except as follows:

(a) The only unit appropriate for the purpose of collective bargaining under RCW 41.56.060 is a statewide unit of all individual providers;

(b) The showing of interest required to request an election under RCW 41.56.060 is ten percent of the unit, and any intervener seeking to appear on the ballot must make the same showing of interest;

(c) The mediation and interest arbitration provisions of RCW 41.56.430 through 41.56.470 and 41.56.480 apply, except that:

(i) With respect to commencement of negotiations between the governor and the bargaining representative of individual providers, negotiations shall be commenced by May 1st of any year prior to the year in which an existing collective bargaining agreement expires; and

(ii) The decision of the arbitration panel is not binding on the legislature and, if the legislature does not approve the request for funds necessary to implement the compensation and fringe benefit provisions of the arbitrated collective bargaining agreement, is not binding on the authority or the state;

(d) Individual providers do not have the right to strike; and

(e) Individual providers who are related to, or family members of, consumers or prospective consumers are not, for that reason, exempt from this chapter or chapter 41.56 RCW.

(3) Individual providers who are public employees solely for the purposes of collective bargaining under subsection (1) of this section are not, for that reason, employees of the state, its political subdivisions, or an area agency on aging for any purpose. Chapter 41.56 RCW applies only to the governance of the collective bargaining relationship between the employer and individual providers as provided in subsections (1) and (2) of this section.

(4) Consumers and prospective consumers retain the right to select, hire, supervise the work of, and terminate any individual provider providing services to them. Consumers may elect to receive long-term in-home care services from individual providers who are not referred to them by the authority.

(5) Except as expressly limited in this section and RCW 74.39A.300, the wages, hours, and working conditions of individual providers are determined solely through collective bargaining as provided in this chapter. Except as described in subsection (9) of this section, no agency or department of the state may establish policies or rules governing the wages or hours of individual providers. ((~~However,~~)) This subsection does not modify:

(a) The department's authority to establish a plan of care for each consumer or its core responsibility to manage long-term in-home care services under this chapter, including determination of the level of care that each consumer is eligible to receive. However, at the request of the exclusive bargaining representative, the governor or the governor's designee appointed under chapter 41.80 RCW shall engage in collective bargaining, as defined in RCW 41.56.030(4), with the exclusive bargaining representative over how the department's core responsibility affects hours of work for individual providers. This subsection shall not be interpreted to require collective bargaining over an individual consumer's plan of care;

(b)(i) The requirement that the number of hours the department may pay any single individual provider is limited to:

(A) Sixty hours each workweek if the individual provider was working an average number of hours in excess of forty hours for the workweeks during January 2016, except for fiscal years 2016 and 2017, the limit is sixty-five hours each workweek; or

(B) Forty hours each workweek if the individual provider was not working an average number of hours in excess of forty hours for the workweeks during January 2016, or had no reported hours for the month of January 2016.

(ii) Additional hours may be authorized under criteria established by rules adopted by the department under subsection (9) of this section.

(iii) Additional hours may be authorized for required training under RCW 74.39A.074, 74.39A.076, and 74.39A.341.

(iv) An individual provider may appeal to the department for qualification for the hour limitation in (b)(i)(A) of this subsection if the average weekly hours the provider was working in January 2016 materially underrepresent the average weekly hours worked by the individual provider during the first three months of 2016.

(v) No individual provider is subject to the hour limitations in (b)(i)(A) of this subsection until the department has conducted a review of the plan of care for the consumers served by the provider. The department shall review plans of care expeditiously, starting with consumers connected with the most individual provider overtime;

(c) The requirement that the total number of additional hours in excess of forty hours authorized under (b) of this subsection and subsection (9) of this section are limited by the total hours as provided in subsection (10) of this section;

(d) The department's authority to terminate its contracts with individual providers who are not adequately meeting the needs of a particular consumer, or to deny a contract under RCW 74.39A.095(8);

((~~(c)~~)) (e) The consumer's right to assign hours to one or more individual providers ((~~selected by the consumer within the maximum hours determined by~~)) consistent with the rules adopted under this chapter and his or her plan of care;

((~~(d)~~)) (f) The consumer's right to select, hire, terminate, supervise the work of, and determine the conditions of employment for each individual provider providing services to the consumer under this chapter;

((~~(e)~~)) (g) The department's obligation to comply with the federal medicaid statute and regulations and the terms of any community-based waiver granted by the federal department of health and human services and to ensure federal financial participation in the provision of the services; and

((~~(f)~~)) (h) The legislature's right to make programmatic modifications to the delivery of state services under this title, including standards of eligibility of consumers and individual providers participating in the programs under this title, and the nature of services provided. The governor shall not enter into, extend, or renew any agreement under this chapter that does not expressly reserve the legislative rights described in this subsection (5)((~~(f)~~)) (h).

(6) At the request of the exclusive bargaining representative, the governor or the governor's designee appointed under chapter 41.80 RCW shall engage in collective bargaining, as defined in RCW 41.56.030(4), with the exclusive bargaining representative over employer contributions to the training partnership for the costs of: (a) Meeting all training and peer mentoring required under this chapter; and (b) other training intended to promote the career development of individual providers.

(7) The state, the department, the area agencies on aging, or their contractors under this chapter may not be held vicariously or jointly liable for the action or inaction of any individual provider or prospective individual provider, whether or not that individual provider or prospective individual provider was included on the referral registry or referred to a consumer or prospective consumer. The existence of a collective bargaining agreement, the placement of an individual provider on the referral registry, or the development or approval of a plan of care for a consumer who chooses to use the services of an individual provider and the provision of case management services to that consumer, by the department or an area agency on aging, does not constitute a special relationship with the consumer.

(8) Nothing in this section affects the state's responsibility with respect to unemployment insurance for individual providers. However, individual providers are not to be considered, as a result of the state assuming this responsibility, employees of the state.

(9) The department may not pay any single individual provider more than the hours listed in subsection (5)(b) of this section unless the department authorizes additional hours under criteria established by rule. The criteria must be limited in scope to reduce the state's exposure to payment of overtime, address travel time from worksite to worksite, and address the following needs of consumers:

(a) Ensuring that consumers are not at increased risk for institutionalization;

(b) When there is a limited number of providers within the geographic region of the consumer;

(c) When there is a limited number of providers available to support a consumer with complex medical and behavioral needs or specific language needs;

(d) Emergencies that could pose a health and safety risk for consumers; and

(e) Instances where the cost of the allowed hour is less than other alternatives to provide care to a consumer, distinct from any increased risk of institutionalization.

(10)(a) Each fiscal year, the department shall establish a spending plan and a system to monitor the authorization and cost of hours in excess of forty hours each workweek from subsections (5)(b) and (9) of this section beginning July 1, 2016, and each fiscal year thereafter. Expenditures for hours in excess of forty hours each workweek under subsections (5)(b) and (9) of this section shall not exceed 8.75 percent of the total average authorized personal care hours for the fiscal year as projected by the caseload forecast council. The caseload forecast council may adopt a temporary adjustment to the 8.75 percent of the total average hours projection for that fiscal year, up to a maximum of 10.0 percent, if it finds a higher percentage of overtime hours is necessitated by a shortage of individual providers to provide adequate client care, taking into consideration factors including the criteria in subsection (9) of this section. If the council elects to temporarily increase the limit, it may do so only upon a majority vote of the council.

(b) The department also shall provide expenditure reports beginning September 1, 2016, and on a quarterly basis thereafter. If the department determines, based upon quarterly expenditure reports, that the annual expenditures will exceed the limitation established in (a) of this subsection, the department shall take those actions necessary to ensure compliance with the limitation.

(c) The spending plan and expenditure reports must be submitted to the legislative fiscal committees and the joint legislative-executive overtime oversight task force. The joint legislative-executive overtime oversight task force members are as follows:

(i) Two members from each of the two largest caucuses of the senate, appointed by the respective caucus leaders.

(ii) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives.

(iii) The governor shall appoint members representing the department of social and health services and the office of financial management.

(iv) The governor shall appoint two members representing individual providers and two members representing consumers receiving personal care or respite care services from an individual provider.

(d) The task force shall meet at least annually, but may meet more frequently as desired by the task force. The task force shall choose cochairs, one from among the legislative members and one from among the executive branch members.

(e) The department is authorized to adopt rules, including emergency rules under RCW 34.05.350, to implement this subsection.

NEW SECTION. **Sec.**  The department of social and health services shall immediately adopt emergency rules under RCW 34.05.350 to limit the number of hours per workweek that the department may pay any single provider to forty hours and to establish criteria to authorize additional hours in accordance with section 1 of this act. The emergency rules shall remain in effect until permanent rules can be adopted.

NEW SECTION. **Sec.**  A new section is added to chapter 74.39A RCW to read as follows:

In order to monitor quality of care and safety of consumers, employment conditions of individual providers, and compliance with the provisions of payment of hours in excess of forty hours each workweek for any single provider, the department must provide quarterly expenditure reports to the legislative fiscal committees and joint legislative-executive overtime oversight task force created in RCW 74.39A.270(10). The report must contain the following information:

(1) The number of providers receiving payment for more than forty hours in a workweek, specifying how many of those providers were eligible for those hours due to meeting the conditions of RCW 74.39A.270 (5)(b)(i)(A), (b)(ii), (b)(iii), and (9).

(2) The number of hours paid and the amount paid for hours in excess of forty hours in a workweek, specifying how many of those hours and payments were for providers eligible for those hours and payments due to meeting the conditions of RCW 74.39A.270 (5)(b)(i)(A), (b)(ii), (b)(iii), and (9).

(3) In reporting the information required in subsections (1) and (2) of this section, the department must provide total amounts, averages, and a display of the distribution of the amounts.

(4) The information required must be provided by department region and county of client, department program, and must be specified for providers by the number of clients they serve.

(5) Any personally identifiable information of consumers and individual providers used to develop this report is confidential and exempt from public disclosure, inspection, or copying under chapter 42.56RCW. However, information may be released in aggregate form, with any personally identifiable information redacted, for the purpose of statistical analysis and oversight of agency performance and actions.

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

Correct the title.

EFFECT: (1) Authorizes the Department of Social and Health Services (DSHS) to establish rules that limit the number of hours it may pay any single Individual Provider (IP) and limits total overtime hours to 8.75% of all projected personal care hours for each fiscal year. Provides DSHS with emergency rulemaking authority until permanent rules can be adopted.

(2) Establishes total weekly hour limits, with exceptions, per IP for IPs in two categories:

(a) 65 hours total in FY 2016 and FY 2017 and 60 hours total in FY 2018 and ongoing for IPs who worked above 40 hours per week on average in January 2016; and

(b) 40 hours total for IPs who worked 0-40 hours per week on average in January 2016.

(c) Allows DSHS to authorize additional hours above these limits for required training, for certain appeals, before an IP's client's plan of care has been reviewed, and to meet needs of consumers such as ensuring that consumers are not at increased risk of institutionalization or when there is a limited number of IPs within a consumer's geographic area.

(3) Authorizes the Caseload Forecast Council, upon a majority vote, to adopt a temporary adjustment to the 8.75% limit on overtime hours as a share of total personal care hours, up to a ceiling of 10%, if it finds that a higher percentage of overtime hours is necessitated by a shortage of IPs to provide adequate client care.

(4) Requires DSHS to establish an annual spending plan and system for monitoring the authorization and cost of IP overtime hours beginning in FY 2017, and to provide quarterly overtime expenditure reports.

(5) Creates a Joint Legislative-Executive Overtime Oversight Task Force with membership from the two Senate caucuses, two House caucuses, DSHS, the Office of Financial Management, and representatives of IPs and personal care consumers.