

SENATE BILL REPORT

ESHB 1792

As of March 6, 2018

Title: An act relating to investigative costs for residential services and supports programs.

Brief Description: Establishing a fee for certification for the residential services and supports program to cover investigative costs.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Kagi and Ormsby; by request of Department of Social and Health Services).

Brief History: Passed House: 3/06/18, 50-48.

Committee Activity: Ways & Means: 3/07/18.

Brief Summary of Bill

- Requires providers of residential services and supports to Department of Social and Health Services (DSHS) Developmental Disabilities Administration clients to pay an annual certification fee beginning July 1, 2018.
- Establishes that the fee amount may not exceed the DSHS costs to investigate complaints about provider practice issues and individuals alleged to have been abused or neglected, and that it must include the DSHS costs to reimburse providers for fees attributable to Medicaid clients.
- Requires DSHS to use additional resources from the fees to address growth in their complaint workload and to intervene in a timely manner when abuse or neglect has occurred.
- Renders the fee unenforceable if federal reimbursement is not available for fees paid by providers on behalf of Medicaid clients.

SENATE COMMITTEE ON WAYS & MEANS

Staff: James Kettel (786-7459)

Background: Residential Services and Supports. The Developmental Disabilities Administration (DDA) within DSHS provides residential services and supports for clients

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who meet Medicaid functional and financial eligibility requirements. A community residential service business means a business that is certified by, and contracted with, DDA to provide instruction and support to DDA clients. Residential services and supports may include assistance with activities of daily living such as bathing, dressing, and eating; instrumental activities of daily living such as meal preparation and ordinary housework; and habilitation services.

Supported living is one type of certified community residential service business. Supported living providers serve up to four clients living in homes that are owned, rented, or leased by the clients or their legal representatives.

Residential Care Services. The Residential Care Services (RCS) unit within DSHS's Aging and Long-Term Support Administration is responsible for licensing adult family homes, assisted living facilities, nursing facilities, enhanced services facilities (ESFs), and intermediate care facilities for individuals with intellectual disabilities, and for certifying community residential services businesses. RCS is also responsible for investigating potential provider practice issues and taking enforcement action when provider practice issues are found.

Adult family homes, assisted living facilities, nursing homes, and ESFs pay fees per-bed at initial licensure and renewal. These fees are used to support RCS activities. The fee levels are established in the omnibus operating appropriations act and may not exceed the DSHS costs for licensing and oversight. Providers are reimbursed using federal matching funds for fees paid on Medicaid client beds.

The RCS costs that are not funded by provider fee revenue are funded with state General Fund and federal Medicaid funds.

DSHS reports that the number of RCS investigations among supported living providers has increased from 806 in FY 2013 to 2212 investigations in FY 2016.

Certification for Community Residential Services and Supports. A certification means that the provider has complied with certain administrative requirements such as staffing, liability insurance, and the practices used by the provider to deliver services, as outlined in provisions in the Washington Administrative Code. The certification provided by RCS allows a provider to continue to receive referrals and to provide services under a contract with the DDA. Certification may be granted to providers for up to two years. There is no fee for certification. Supported living is the only type of certified residential services and support that does not require licensure as an adult family home or assisted living facility.

Summary of Bill: Beginning July 1, 2018, providers of DDA community residential services and supports must pay an annual certification fee. The fee amount must be established in the omnibus operating appropriations act and may not exceed the DSHS costs to investigate complaints about provider practice and individuals alleged to have been abused, neglected, abandoned, or exploited.

No certification fee will be required for government-operated programs, court-appointed receivers, or the portion of certified residential services and supports in which providers pay adult family home or assisted living facility licensing fees.

DSHS must use the additional resources from certification fees to address growth in the complaint workload and to intervene for clients in a timely manner when there is possible abuse or neglect.

If the federal Centers for Medicare and Medicaid Services determines that federal reimbursement is not available for fees paid by providers on behalf of Medicaid clients, DSHS must cease collecting the fee and notify the Office of Financial Management and the appropriate legislative committees. Rules adopted under the act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2018.