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**SUBSTITUTE HOUSE BILL 1435**

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**State of Washington 68th Legislature 2023 Regular Session**

**By** House Health Care & Wellness (originally sponsored by Representatives Bronoske, Taylor, Bateman, Ryu, Riccelli, Gregerson, Callan, Pollet, Simmons, Reeves, and Doglio)

AN ACT Relating to the development of a home care safety net assessment; adding a new section to chapter 70.127 RCW; and adding a new section to chapter 74.39A RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  A new section is added to chapter 70.127 RCW to read as follows:

(1) Each consumer directed employer and each in-home services agency that is licensed under this chapter to provide home care services, hospice services, or home health services shall submit financial information to the department as necessary to inform the development of a home care safety net assessment to use in securing federal matching funds under federally prescribed programs available through the state medicaid plan or a waiver, as specified in subsection (2) of this section.

(2) The financial information to be submitted under subsection (1) of this section shall be comprised of the following information related to in-home services client revenue, separated by type of service and payer, from the 12-month period between July 1, 2022, and July 1, 2023:

(a) Total client revenue for home care services expressed as client revenue for home care services paid by:

(i) Medicaid;

(ii) Medicare;

(iii) Private pay;

(iv) Commercial insurance;

(v) The veterans administration; and

(vi) All other payers;

(b) Total client revenue for home health services expressed as client revenue for home health services paid by:

(i) Medicaid;

(ii) Medicare;

(iii) Private pay;

(iv) Commercial insurance;

(v) The veterans administration; and

(vi) All other payers; and

(c) Total client revenue for hospice services expressed as client revenue for hospice services paid by:

(i) Medicaid;

(ii) Medicare;

(iii) Private pay;

(iv) Commercial insurance;

(v) The veterans administration; and

(vi) All other payers.

(3) In-home services agencies and consumer directed employers shall submit the financial information to the department by January 1, 2024.

(4)(a) The department shall adopt guidance for reporting standards under subsection (1) of this section that assist in-home services agencies and consumer directed employers to deidentify any in-home services agency's clients from the financial information before submitting the financial information to the department.

(b)(i) The financial information submitted to the department under this section is considered proprietary information and is confidential and may not be disclosed under chapter 42.56 RCW.

(ii)(A) The department may only distribute nonaggregated financial information that identifies in-home services agencies and consumer directed employers, to the extent necessary, to:

(I) Members of the work group established in section 2 of this act who are representing a state agency;

(II) Executive branch agency staff who are providing support to the work group established in section 2 of this act or are involved in the development of a home care safety net assessment; and

(III) An entity under contract with the health care authority to provide data analysis of the financial information as necessary to assist the work group established in section 2 of this act to carry out its responsibilities.

(B) Any information that has been distributed pursuant to this subsection (4)(b)(ii) may not be further distributed by the recipient of the financial information and must be destroyed once the department and the health care authority have determined that it is no longer necessary for the support of the activities of the work group established in section 2 of this act.

(C) The health care authority may release reports containing nonaggregated data in order to meet relevant regulatory requirements.

(5) For the purposes of this section:

(a) "Client revenue" means the total amount of revenue received as client care for in-home services determined on a cash basis of accounting. "Client revenue" includes all payments received as client care revenue from home care, home health, and hospice from medicaid, commercial insurance, and all other payers for payment for services rendered.

(b) "Consumer directed employer" has the same meaning as in RCW 74.39A.009.

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

(1) The home care safety net assessment work group is established, with the following members:

(a) The director of the health care authority, or the director's designee;

(b) The secretary of the department, or the secretary's designee;

(c) The secretary of the department of health, or the secretary's designee;

(d) The director of the department of revenue, or the director's designee;

(e) A representative from the exclusive bargaining representative of individual providers;

(f) A representative of a coalition representing home care agencies serving medicaid clients;

(g) A representative of an association representing home care and home health agencies; and

(h) A representative from each consumer directed employer in Washington.

(2) The work group shall develop a home care safety net assessment proposal to secure federal matching funds under federally prescribed programs available through the state medicaid plan or a waiver. In developing the proposal, the work group shall consider the financial information provided by consumer directed employers and in-home services agencies under section 1 of this act to the extent authorized under section 1(4)(b)(ii) of this act and any relevant data analysis of the financial information provided by a private entity under contract with the health care authority pursuant to subsection (3) of this section.

(3) The health care authority may contract with a private entity to provide data analysis of the financial information submitted by in-home services agencies and consumer directed employers as necessary to inform the work group's development of a home care safety net assessment proposal. The data analysis must include the development of various financial modeling options that may meet federal regulations for approval of the assessment.

(4) Staff support to the work group must be provided by the health care authority.

(5) The work group shall report its findings to the governor and the appropriate committees of the legislature by December 1, 2024. The report must include recommendations related to the elements necessary to adopt and implement a home care safety net assessment proposal that meets the requirements needed for federal approval.

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