
HOUSE BILL 2082

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By Representatives Darneille, Goodman, Dickerson, Roberts, Pettigrew, Appleton, Ryu, Fitzgibbon, Finn, Orwall, Ormsby, Ladenburg, Kenney, and Moscoso

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1 AN ACT Relating to reforming the disability lifeline program
2 through essential needs and housing support for persons not likely to
3 meet federal supplemental security income disability standards,
4 continued aid and support for other disability lifeline recipients, and
5 modification of the disability lifeline medical care services needed to
6 receive federal funding; amending RCW 74.04.005; reenacting and
7 amending RCW 74.09.035; adding new sections to chapter 74.04 RCW;
8 adding new sections to chapter 43.185C RCW; creating new sections;
9 repealing RCW 43.330.175; providing an effective date; and declaring an
10 emergency.

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

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

13 (a) The process of applying for federal supplemental security
14 income benefits is complex, and can take several years to complete.
15 Persons who are likely to be eligible for federal supplemental security
16 income benefits should receive transitional assistance to bridge to
17 their receipt of federal benefits, with repayment from the federal
18 government of state-funded income assistance paid through the
19 disability lifeline program;

1 (b) Persons who are incapacitated from gainful employment for an
2 extended period, but who may not meet the level of severity necessary
3 to qualify for federal supplemental security income benefits, are at
4 increased risk of homelessness; and

5 (c) Persons who are homeless and suffering from significant medical
6 impairments, mental illness, or chemical dependency face substantial
7 barriers to successful participation in, and completion of, needed
8 medical or behavioral health treatment services. Stable housing
9 increases the likelihood of compliance with, and completion of
10 treatment.

11 (2) Through the reforms included in this act, the legislature
12 intends to:

13 (a) Provide transitional financial and health care support to
14 persons who, by reason of age or disability, are likely to meet federal
15 supplemental security income disability standards;

16 (b) Focus funding upon meeting basic needs for medical and
17 behavioral health care services, and for housing and essential needs,
18 as an alternative to cash grants, for persons who are incapacitated
19 from gainful employment, but whose incapacity may not meet the level of
20 severity necessary to qualify for federal supplemental security income
21 benefits; and

22 (c) Increase opportunities to utilize limited public funding,
23 combined with private charitable and volunteer efforts to serve
24 disability lifeline recipients.

25 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.04 RCW
26 to read as follows:

27 **Disability lifeline expedited and aged, blind, and disabled**
28 **programs.**

29 (1)(a) Effective October 1, 2011, the disability lifeline expedited
30 program shall provide aid and support to persons who:

31 (i) Are not eligible to receive federal aid assistance, other than
32 basic food benefits transferred electronically and medical assistance;

33 (ii) Are likely to be eligible for federal supplemental security
34 income benefits based on medical and behavioral health evidence that
35 appears to meet the disability standards used for the federal
36 supplemental security income program, based upon an examination by an
37 appropriate health care provider. In determining whether an applicant

1 is likely to meet the disability standards of the federal supplemental
2 security income program, the departments should give full consideration
3 to the cumulative impact of an applicant's multiple impairments, an
4 applicant's age, and their vocational and educational history, but need
5 not duplicate the full five step sequential review process set out in
6 federal supplemental security income regulations. To improve access to
7 timely incapacity evaluations, the department should allow mid-level
8 practitioners, such as advance registered nurse practitioners and
9 licensed mental health practitioners to conduct evaluations, with
10 review and approval by medical practitioners. The process should be
11 sufficient to indicate a likelihood of whether a person would meet the
12 federal supplemental security income disability standard;

13 (iii) Are citizens or aliens lawfully admitted for permanent
14 residence or otherwise residing in the United States under color of
15 law;

16 (iv) Have furnished the department their social security number.
17 If the social security number cannot be furnished because it has not
18 been issued or is not known, an application for a number shall be made
19 prior to authorization of benefits, and the social security number
20 shall be provided to the department upon receipt;

21 (v) Meet income and resource standards for the disability lifeline
22 program in effect on December 31, 2010; and

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

32 (b) The following persons are not eligible for the disability
33 lifeline expedited program:

34 (i) Persons who are unemployable due primarily to alcohol or drug
35 addiction. These persons shall be referred to appropriate assessment,
36 treatment, shelter, or supplemental security income referral services
37 as authorized under chapter 74.50 RCW. Referrals shall be made at the
38 time of application or at the time of eligibility review. This

1 subsection may not be construed to prohibit the department from
2 granting disability lifeline expedited benefits to alcoholics and drug
3 addicts who are incapacitated due to other physical or mental
4 conditions that meet the eligibility criteria for the disability
5 lifeline program; and

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

8 (c) Persons may receive disability lifeline expedited benefits
9 pending application for federal supplemental security income benefits.
10 The monetary value of any disability lifeline expedited benefit that is
11 subsequently duplicated by the person's receipt of supplemental
12 security income for the same period shall be considered a debt due the
13 state and shall by operation of law be subject to recovery through all
14 available legal remedies.

15 (d) No person may be considered an eligible individual for
16 disability lifeline expedited benefits with respect to any month if
17 during that month the person:

18 (i) Is fleeing to avoid prosecution of, or to avoid custody or
19 confinement for conviction of, a felony, or an attempt to commit a
20 felony, under the laws of the state of Washington or the place from
21 which the person flees; or

22 (ii) Is violating a condition of probation, community supervision,
23 or parole imposed under federal or state law for a felony or gross
24 misdemeanor conviction.

25 (2) Effective October 1, 2011, the disability lifeline aged, blind,
26 and disabled program shall provide aid and support to persons who are:

27 (a) Citizens or aliens lawfully admitted for permanent residence or
28 otherwise residing in the United States under color of law;

29 (b) Meet the age, blindness, or disability standards of the federal
30 supplemental security income program but are ineligible for federal
31 supplemental security income benefits for a reason other than failure
32 to cooperate with program requirements; and

33 (c) Meet the income and resource standards for the disability
34 lifeline program in effect on December 31, 2010.

35 (3) Effective October 1, 2011, the disability lifeline pregnant
36 women program shall provide aid and support to persons who are:

37 (a) Citizens or aliens lawfully admitted for permanent residence or
38 otherwise residing in the United States under color of law; and

1 (b) Pregnant and in need, based upon the current income and
2 resource standards of the federal temporary assistance for needy
3 families program, but are ineligible for federal temporary assistance
4 for needy families benefits for a reason other than failure to
5 cooperate in program requirements.

6 NEW SECTION. **Sec. 3.** A new section is added to chapter 74.04 RCW
7 to read as follows:

8 **Disability lifeline essential needs and housing support program.**

9 Effective October 1, 2011, the disability lifeline essential needs
10 and housing support program is established to provide support in
11 accordance with the conditions set out in this section. This section
12 does not create an entitlement to receipt of essential needs or housing
13 support services for persons who meet the eligibility standards under
14 this section.

15 (1) To the extent of available funding, the following persons are
16 eligible to receive medical care services under RCW 74.09.035 and
17 referrals to disability lifeline essential needs and housing support:

18 (a) Persons who are not eligible to receive aid and support under
19 the disability lifeline expedited, aged, blind, and disabled, or
20 pregnant women programs under section 2 of this act, or federal aid
21 assistance, other than basic food benefits transferred electronically,
22 and are incapacitated from gainful employment by reason of bodily or
23 mental infirmity that will likely continue for a minimum of ninety days
24 as determined by the department. The standard for incapacity in this
25 subsection, as evidenced by the ninety-day duration standard, is not
26 intended to be as stringent as federal supplemental security income
27 disability standards;

28 (b) Citizens or aliens lawfully admitted for permanent residence or
29 otherwise residing in the United States under color of law;

30 (c) Persons who have furnished the department their social security
31 number. If the social security number cannot be furnished because it
32 has not been issued or is not known, an application for a number shall
33 be made prior to authorization of benefits, and the social security
34 number shall be provided to the department upon receipt; and

35 (d) Persons who meet the disability lifeline income and resource
36 standards established by the department, consistent with any standards
37 in effect on December 31, 2010.

1 (2) The following persons are not eligible for disability lifeline
2 essential needs or housing support:

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

12 (b) Persons who refuse or fail to cooperate in obtaining federal
13 aid assistance, without good cause; and

14 (c) Persons who refuse or fail without good cause to participate in
15 drug or alcohol treatment if an assessment by a certified chemical
16 dependency counselor indicates a need for such treatment. Good cause
17 must be found to exist when a person's physical or mental condition, as
18 determined by the department, prevents the person from participating in
19 drug or alcohol dependency treatment, when needed outpatient drug or
20 alcohol treatment is not available to the person in the county of his
21 or her residence or when needed inpatient treatment is not available in
22 a location that is reasonably accessible for the person.

23 (3)(a) For purposes of determining whether a person is
24 incapacitated from gainful employment under subsection (1)(a) of this
25 section:

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

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

35 (b) For purposes of reviewing a person's continuing eligibility and
36 in order to remain eligible for the program, persons who have been
37 found to have an incapacity from gainful employment must demonstrate
38 that there has been no material improvement in their medical or mental

1 health condition. The department may discontinue benefits when there
2 was specific error in the prior determination that found the person
3 eligible by reason of incapacitation.

4 (4) Beginning July 1, 2011, the department must review the cases of
5 all persons who have received disability lifeline benefits-unemployable
6 or essential needs and housing support benefits for twelve months, and
7 annually thereafter, to determine whether they are likely to meet the
8 standards for federal supplemental security income benefits. In
9 determining whether an applicant is likely to meet the disability
10 standards of the program, the department should give full consideration
11 to the cumulative impact of an applicant's multiple impairments, age,
12 and vocational and educational history, but need not duplicate the full
13 five step sequential review process set out in federal supplemental
14 security income regulations. To improve access to timely incapacity
15 evaluations, the department should allow mid-level practitioners, such
16 as advance registered nurse practitioners and licensed mental health
17 practitioners to conduct evaluations, with review and approval by
18 medical practitioners.

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

21 **Grants to local governments and community-based organizations for**
22 **essential needs and housing support.**

23 (1) The department shall distribute funds for the disability
24 lifeline essential needs and housing support program established under
25 section 3 of this act in a manner consistent with the requirements of
26 this section. The first distribution of funds must be completed by
27 August 1, 2011. Receipt of essential needs or housing support is not
28 an entitlement for persons found eligible for such services under
29 section 3 of this act.

30 (2) Funding for the essential needs and housing support program
31 shall be provided to the designated essential needs support and housing
32 support entities based upon a formula that shall be updated biennially
33 and reflect a proportional distribution as follows:

34 (a) For the period of October 1, 2011, through June 2013, the total
35 funding for the program shall be based upon the projected disability
36 lifeline unemployable caseload, excluding clients in the program

1 established in section 2 of this act, and the estimated monthly average
2 of the cash assistance grant that was in effect for these individuals
3 between July through September 2011;

4 (b) In subsequent fiscal biennia, the total funding for the program
5 shall be adjusted to reflect changes in the caseload of individuals
6 eligible for the program in accordance with section 3 of this act;

7 (c) The distribution to the designated entities within a county
8 shall be proportional to the county's share of the estimated caseload
9 in accordance with (a) and (b) of this subsection.

10 (3) Funds appropriated for the disability lifeline essential needs
11 and housing support program shall be distributed in the form of grants.
12 A minimum of ten percent, but no more than fifteen percent, of the
13 funds appropriated for the program may be allocated for essential needs
14 support. The department shall distribute funding through a formula
15 based on the average number of eligible disability lifeline-
16 unemployable or essential needs and housing support clients residing in
17 the county in the three preceding fiscal years and shall update this
18 formula biennially.

19 (4) For each county, the department shall designate an essential
20 needs support entity, and a housing support entity that will begin
21 providing these supports to disability lifeline essential needs and
22 housing support program recipients on October 1, 2011. Each designated
23 entity must be a local government or community-based organization, and
24 may administer the funding for essential needs support, housing
25 support, or both.

26 (5)(a) Each essential needs and housing support entity must use
27 funds distributed under this section as flexibly as is practicable to
28 provide essential needs items and housing support to the greatest
29 number of disability lifeline essential needs and housing support
30 recipients. Housing support funds may be used to obtain heat,
31 electricity, and water services. Essential needs and housing support
32 shall not be provided in the form of cash assistance to recipients.
33 Essential needs and housing support entities are not required to
34 provide assistance to every disability lifeline essential needs and
35 housing support recipient that is referred to the local entity. Each
36 entity must develop local priorities for the use of funds in the event
37 that available resources are not sufficient to provide service to all
38 recipients who have been referred for support.

1 (b) Essential needs and housing support entities must partner with
2 other public and private organizations to maximize the beneficial
3 impact of funds distributed under this section, and should attempt to
4 leverage other sources of public and private funds to serve disability
5 lifeline recipients. Funds appropriated in the operating budget for
6 disability lifeline essential needs and housing supports may be used
7 only to serve persons eligible to receive services under that program.

8 (6) The department and each essential needs and housing support
9 entities shall minimize the percentage of funds used for administration
10 of the essential needs and housing support program to maximize funding
11 available for supports.

12 (7)(a) The department shall require housing support entities to
13 enter data into the homeless client management information system.

14 (b)(i) The department, in collaboration with the department of
15 social and health services, shall submit a report annually to the
16 relevant policy and fiscal committees of the legislature. The report
17 shall provide:

18 (A) Information on the housing status of disability lifeline
19 essential needs and housing support recipients served by the entity and
20 referred for housing support by the department of social and health
21 services; and

22 (B) Expenditure data related to administration and services
23 provided under this section;

24 (ii) The first report must be submitted by December 31, 2011, and
25 must describe the actions the department has taken to achieve the
26 objectives of this act and the amount of funds that are being used to
27 administer the program.

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

35 (8) The department, counties, and essential needs and housing
36 support entities are not civilly or criminally liable and may not have
37 any penalty or cause of action of any nature arise against them for
38 decisions related to the type of housing arrangement supported with

1 funds allocated under this section when the decision was made in good
2 faith and in the performance of the powers and duties under this
3 section. Nothing in this section prohibits legal actions against the
4 department, a county or an essential needs or housing support entity to
5 enforce that entity's statutory or contractual duties or obligations.

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

8 The department, in collaboration with the department of social and
9 health services, shall develop a mechanism through which the department
10 and local governments or community-based organizations can verify a
11 person's eligibility for the disability lifeline essential needs and
12 housing support program.

13 **Sec. 6.** RCW 74.09.035 and 2010 1st sp.s. c 8 s 29 and 2010 c 94 s
14 22 are each reenacted and amended to read as follows:

15 (1)(a) To the extent of available funds, medical care services may
16 be provided to ~~((recipients of disability lifeline benefits, persons
17 denied disability lifeline benefits under RCW 74.04.005(5)(b) or
18 74.04.655 who otherwise meet the requirements of RCW
19 74.04.005(5)(a),))~~:

20 (i)(A) Until September 30, 2011, recipients of disability lifeline
21 benefits who meet the income and resource standards in effect on
22 December 31, 2010;

23 (B) Effective October 1, 2011, persons who meet the disability
24 lifeline incapacity, income and resource standards in effect on
25 December 31, 2010; and

26 (ii) Recipients of alcohol and drug addiction services provided
27 under chapter 74.50 RCW, in accordance with medical eligibility
28 requirements established by the department. ~~((To the extent authorized~~
29 in the operating budget, upon implementation of a federal medicaid 1115
30 waiver providing federal matching funds for medical care services,
31 these services also may be provided to persons who have been terminated
32 from disability lifeline benefits under RCW 74.04.005(5)(h).))

33 (b) Enrollment in medical care services may not result in
34 expenditures that exceed the amount that has been appropriated in the
35 operating budget. If it appears that continued enrollment will result
36 in expenditures exceeding the appropriated level for a particular

1 fiscal year, the department may freeze new enrollment and establish a
2 waiting list of eligible persons who may receive benefits only when
3 sufficient funds are available.

4 (2) Determination of the amount, scope, and duration of medical
5 care services shall be limited to coverage as defined by the
6 department, except that adult dental, and routine foot care shall not
7 be included unless there is a specific appropriation for these
8 services.

9 (3) The department shall enter into performance-based contracts
10 with one or more managed health care systems for the provision of
11 medical care services to recipients of disability lifeline benefits.
12 The contract must provide for integrated delivery of medical and mental
13 health services.

14 (4) The department shall establish standards of assistance and
15 resource and income exemptions, which may include deductibles and co-
16 insurance provisions. In addition, the department may include a
17 prohibition against the voluntary assignment of property or cash for
18 the purpose of qualifying for assistance.

19 (5) Residents of skilled nursing homes, intermediate care
20 facilities, and intermediate care facilities for the mentally retarded,
21 as that term is described by federal law, who are eligible for medical
22 care services shall be provided medical services to the same extent as
23 provided to those persons eligible under the medical assistance
24 program.

25 ~~((Payments made by the department under this program shall be~~
26 ~~the limit of expenditures for medical care services solely from state~~
27 ~~funds.~~

28 ~~(7))~~) Eligibility for medical care services shall commence with the
29 date of certification for disability lifeline benefits under section
30 3(1) of this act or the date of eligibility for alcohol and drug
31 addiction services provided under chapter 74.50 RCW.

32 **Sec. 7.** RCW 74.04.005 and 2010 1st sp.s. c 8 s 4 are each amended
33 to read as follows:

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

36 (1) "Public assistance" or "assistance"(~~(—)~~) means public aid to

1 persons in need thereof for any cause, including services, medical
2 care, assistance grants, disbursing orders, work relief, disability
3 lifeline benefits and federal aid assistance.

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

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

8 (4) "Director" or "secretary" means the secretary of social and
9 health services.

10 (5) "Disability lifeline housing support and essential needs
11 program" means ~~((a program that provides aid and support in accordance~~
12 ~~with the conditions set out in this subsection.~~

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

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

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

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

29 ~~(B) Have furnished the department their social security number. If~~
30 ~~the social security number cannot be furnished because it has not been~~
31 ~~issued or is not known, an application for a number shall be made prior~~
32 ~~to authorization of benefits, and the social security number shall be~~
33 ~~provided to the department upon receipt;~~

34 ~~(C) Have not refused or failed without good cause to participate in~~
35 ~~drug or alcohol treatment if an assessment by a certified chemical~~
36 ~~dependency counselor indicates a need for such treatment. Good cause~~
37 ~~must be found to exist when a person's physical or mental condition, as~~
38 ~~determined by the department, prevents the person from participating in~~

1 ~~drug or alcohol dependency treatment, when needed outpatient drug or~~
2 ~~alcohol treatment is not available to the person in the county of his~~
3 ~~or her residence or when needed inpatient treatment is not available in~~
4 ~~a location that is reasonably accessible for the person; and~~

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

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

25 ~~(ii) If the department of commerce has determined under RCW~~
26 ~~43.330.175 that sufficient housing is not available, persons described~~
27 ~~in this subsection who apply for disability lifeline benefits during~~
28 ~~the time period that housing is not available shall receive a cash~~
29 ~~grant in lieu of a cash stipend and housing voucher.~~

30 ~~(iii) Persons who refuse to accept a housing voucher under this~~
31 ~~subsection but otherwise meet the eligibility requirements of (a) of~~
32 ~~this subsection are eligible for medical care services benefits under~~
33 ~~RCW 74.09.035, subject to the time limits in (h) of this subsection.~~

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

36 ~~(i) Persons who are unemployable due primarily to alcohol or drug~~
37 ~~addiction. These persons shall be referred to appropriate assessment,~~
38 ~~treatment, shelter, or supplemental security income referral services~~

1 as authorized under chapter 74.50 RCW. Referrals shall be made at the
2 time of application or at the time of eligibility review. This
3 subsection shall not be construed to prohibit the department from
4 granting disability lifeline benefits to alcoholics and drug addicts
5 who are incapacitated due to other physical or mental conditions that
6 meet the eligibility criteria for the disability lifeline program;

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

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

18 (i) First failure: One week;

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

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

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

31 (f) For purposes of determining whether a person is incapacitated
32 from gainful employment under (a) of this subsection:

33 (i) The department shall adopt by rule medical criteria for
34 disability lifeline incapacity determinations to ensure that
35 eligibility decisions are consistent with statutory requirements and
36 are based on clear, objective medical information; and

37 (ii) The process implementing the medical criteria shall involve
38 consideration of opinions of the treating or consulting physicians or

1 health care professionals regarding incapacity, and any eligibility
2 decision which rejects uncontroverted medical opinion must set forth
3 clear and convincing reasons for doing so.

4 (g) Persons receiving disability lifeline benefits based upon a
5 finding of incapacity from gainful employment who remain otherwise
6 eligible shall have their benefits discontinued unless the recipient
7 demonstrates no material improvement in their medical or mental health
8 condition. The department may discontinue benefits when there was
9 specific error in the prior determination that found the person
10 eligible by reason of incapacitation.

11 (h)(i) Beginning September 1, 2010, no person who is currently
12 receiving or becomes eligible for disability lifeline program benefits
13 shall be eligible to receive benefits under the program for more than
14 twenty four months in a sixty month period. For purposes of this
15 subsection, months of receipt of general assistance unemployable
16 benefits count toward the twenty four month limit. Months during which
17 a person received benefits under the expedited component of the
18 disability lifeline or general assistance program or under the aged,
19 blind, or disabled component of the disability lifeline or general
20 assistance program shall not be included when determining whether a
21 person has been receiving benefits for more than twenty four months.
22 On or before July 1, 2010, the department must review the cases of all
23 persons who have received disability lifeline benefits or general
24 assistance unemployable benefits for at least twenty months as of that
25 date. On or before September 1, 2010, the department must review the
26 cases of all remaining persons who have received disability lifeline
27 benefits for at least twelve months as of that date. The review should
28 determine whether the person meets the federal supplemental security
29 income disability standard and, if the person does not meet that
30 standard, whether the receipt of additional services could lead to
31 employability. If a need for additional services is identified, the
32 department shall provide case management services, such as assistance
33 with arranging transportation or locating stable housing, that will
34 facilitate the person's access to needed services. A person may not be
35 determined ineligible due to exceeding the time limit unless he or she
36 has received a case review under this subsection finding that the
37 person does not meet the federal supplemental security income
38 disability standard.

1 ~~(ii) The time limits established under this subsection expire June~~
2 ~~30, 2013.~~

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

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

10 ~~(ii) Is violating a condition of probation, community supervision,~~
11 ~~or parole imposed under federal or state law for a felony or gross~~
12 ~~misdemeanor conviction)) the program established in section 3 of this~~
13 ~~act.~~

14 (6) "Disability lifeline expedited" means ((~~a component of the~~
15 ~~disability lifeline program under which persons receiving disability~~
16 ~~lifeline benefits have been determined, after examination by an~~
17 ~~appropriate health care provider, to be likely to be eligible for~~
18 ~~federal supplemental security income benefits based on medical and~~
19 ~~behavioral health evidence that meets the disability standards used for~~
20 ~~the federal supplemental security income program)) the program
21 established under section 2 of this act.~~

22 (7) "Disability lifeline aged, blind, and disabled" means the
23 program established under section 2 of this act.

24 (8) "Essential needs support" means personal health and hygiene
25 items, cleaning supplies and other related items provided through an
26 essential needs bank established under section 4 of this act.

27 (9) "Housing support" means assistance provided to maintain
28 existing or obtain housing by a county-designated housing support
29 entity established under section 4 of this act.

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

37 ((~~+8~~)) (11) "Applicant"((~~—~~)) means any person who has made a

1 request, or on behalf of whom a request has been made, to any county or
2 local office for assistance.

3 ~~((+9))~~ (12) "Recipient"~~((—))~~ means any person receiving
4 assistance and in addition those dependents whose needs are included in
5 the recipient's assistance.

6 ~~((+10))~~ (13) "Standards of assistance"~~((—))~~ means the level of
7 income required by an applicant or recipient to maintain a level of
8 living specified by the department.

9 ~~((+11))~~ (14) "Resource"~~((—))~~ means any asset, tangible or
10 intangible, owned by or available to the applicant at the time of
11 application, which can be applied toward meeting the applicant's need,
12 either directly or by conversion into money or its equivalent. The
13 department may by rule designate resources that an applicant may retain
14 and not be ineligible for public assistance because of such resources.
15 Exempt resources shall include, but are not limited to:

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

18 (b) Household furnishings and personal effects;

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

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

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

31 (f) Applicants for or recipients of disability lifeline benefits
32 shall have their eligibility based on resource limitations consistent
33 with the temporary assistance for needy families program rules adopted
34 by the department; and

35 (g) If an applicant for or recipient of public assistance possesses
36 property and belongings in excess of the ceiling value, such value
37 shall be used in determining the need of the applicant or recipient,
38 except that: (i) The department may exempt resources or income when

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

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

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

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

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

22 (~~(+12+)~~) (15) "Income"(~~(—)~~) means:

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

35 (b) If, under applicable federal requirements, the state has the
36 option of considering property in the form of lump sum compensatory
37 awards or related settlements received by an applicant or recipient as

1 income or as a resource, the department shall consider such property to
2 be a resource.

3 ~~((+13+))~~ (16) "Need"~~((--))~~ means the difference between the
4 applicant's or recipient's standards of assistance for himself or
5 herself and the dependent members of his or her family, as measured by
6 the standards of the department, and value of all nonexempt resources
7 and nonexempt income received by or available to the applicant or
8 recipient and the dependent members of his or her family.

9 ~~((+14+))~~ (17) For purposes of determining eligibility for public
10 assistance and participation levels in the cost of medical care, the
11 department shall exempt restitution payments made to people of Japanese
12 and Aleut ancestry pursuant to the Civil Liberties Act of 1988 and the
13 Aleutian and Pribilof Island Restitution Act passed by congress, P.L.
14 100-383, including all income and resources derived therefrom.

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

20 NEW SECTION. **Sec. 8.** Nothing in this act may be construed to
21 affect the hearing rights of any person who filed an appeal related to
22 actions taken under the security lifeline act of 2010, chapter 8, Laws
23 of 2010, 1st sp. sess. prior to the effective date of this section.

24 NEW SECTION. **Sec. 9.** The department of social and health services
25 and the department of commerce shall undertake activities necessary to
26 implement sections 2, 3, and 4 of this act by the dates designated in
27 those sections, with funding appropriated in the operating budget for
28 these purposes.

29 NEW SECTION. **Sec. 10.** Sections 2, 3, and 4 of this act take
30 effect October 1, 2011.

31 NEW SECTION. **Sec. 11.** RCW 43.330.175 (Disability lifeline housing
32 voucher program) and 2010 1st sp.s. c 8 s 8 are each repealed.

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

3 NEW SECTION. **Sec. 13.** Except for sections 2, 3, and 4 of this
4 act, this act is necessary for the immediate preservation of the public
5 peace, health, or safety, or support of the state government and its
6 existing public institutions, and takes effect immediately.

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