
SENATE BILL 5904

State of Washington

60th Legislature

2007 Regular Session

By Senators Keiser, Pflug, Zarelli, Marr, Carrell, Franklin and Rasmussen

Read first time 02/06/2007. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to payments for medicaid contracted services in
2 boarding homes; adding a new section to chapter 18.20 RCW; providing an
3 effective date; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 18.20 RCW
6 to read as follows:

7 (1) Beginning on July 1, 2007, the rates of payment for boarding
8 home medicaid contracted services under chapter 74.39A RCW shall be
9 established by the department using the "home and community rates
10 model," developed by the department and published on November 22, 2006.
11 The "home and community rates model" shall be updated using the 2005
12 nursing home cost report data to estimate the cost of care for assisted
13 living services, enhanced adult residential care services, and adult
14 residential care services. The payment rates established under this
15 subsection shall be adjusted by:

16 (a) Acuity classification groups and geographic areas in accordance
17 with the "home and community rates model"; and

18 (b) An economic trends and conditions factor which shall be the
19 lower of a factor determined by the percentage change in the consumer

1 price index for all urban consumers from the actual index of the
2 quarter ending June 30th, from the year two years immediately preceding
3 the rate period to the forecasted index of the quarter ending June
4 30th, immediately preceding the rate period from the data provided by
5 the bureau of labor statistics, titled the consumer price index for all
6 urban consumers, as is published for the quarter ending June 30th, one
7 year immediately preceding the rate period, or six percent; so that:
8 For the rate period commencing July 1, 2007, the adjustment for
9 economic trends and conditions is the lower of the calculated
10 percentage change of the actual index from the quarter ending June 30,
11 2005, compared to the forecasted index for the quarter ending June 30,
12 2007, or six percent.

13 (2) Beginning July 1, 2008, and for all assisted living services,
14 enhanced adult residential care services, and adult residential care
15 rates established on each subsequent July 1st occurring in
16 even-numbered years, the June 30th rate shall be adjusted by a factor
17 determined by the percentage change in the consumer price index for all
18 urban consumers from the actual index of the quarter ending June 30th,
19 from the year two years immediately preceding the rate period to the
20 forecasted index of the quarter ending June 30th, from the year one
21 year immediately preceding the rate period from the data provided by
22 the bureau of labor statistics, titled the consumer price index for all
23 urban consumers, as is published for the quarter ending June 30th, in
24 the year two years immediately preceding the rate period; so that: For
25 the rate period commencing July 2008, the adjustment for economic
26 trends and conditions is the calculated percentage change of the actual
27 index from the quarter ending June 30, 2006, compared to the forecasted
28 index for the quarter ending June 30, 2007; and so forth.

29 (3) Beginning July 1, 2009, and for all assisted living services,
30 enhanced adult residential care services, and adult residential care
31 rates established on each subsequent July 1st occurring in odd-numbered
32 years, the June 30th rate in each year shall be adjusted by a factor
33 determined by the percentage change in the consumer price index for all
34 urban consumers from the actual index of the quarter ending June 30th,
35 from the year two years immediately preceding the rate period to the
36 actual index of the quarter ending June 30th, from the year one year
37 immediately preceding the rate period from the data provided by the
38 bureau of labor statistics, titled the consumer price index for all

1 urban consumers, as is published for the quarter ending June 30th, in
2 the year one year immediately preceding the rate period; so that: For
3 the rate period commencing July 2009, the adjustment for economic
4 trends and conditions is the calculated percentage change of the actual
5 index from the quarter ending June 30, 2007, compared to the actual
6 index for the quarter ending June 30, 2008; and so forth.

7 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
8 preservation of the public peace, health, or safety, or support of the
9 state government and its existing public institutions, and takes effect
10 July 1, 2007.

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