

Capitol Update

January 27, 2012

Still No Signs of Budget Action WHCA Policy Bills Move at Brisk Pace

Legislative activity in Olympia resumed its regular pace this week, recovering from power outages caused by last week's snowstorm. Although the weather improved, no progress on the state's budget could be detected. WHCA's lobbying team spent all week meeting with numerous legislators to discuss the Association's legislative agenda, and made it a point to ask during each meeting: *"What are you hearing about the development of a budget?"* And without fail, each legislator on both sides of the Hill – including several in leadership positions – told us the same thing: *"Not much; what are you hearing?"* As of today, one-third of the session is behind us. Barring a Special Session (or multiple Special Sessions), legislators have only a few weeks remaining to resolve the budget deficit by generating additional revenue and imposing program spending cuts. Despite the need for legislators to finalize a budget plan, all lobbyists are well-aware that regardless of the outcome, very few will be happy with any plan they ultimately put forth.

WHCA Bill Seeks Flexibility in "Settlement" Process

Legislation drafted by WHCA and to be introduced next Monday by Rep. Marco Lias, (D-Mukilteo) would allow SNF providers to suspend settling their payments within the six payment categories for the remainder of the biennium. Instead, the legislation would permit providers to settle their spending to their overall daily payment rate. WHCA is seeking adoption of this legislation in order to address two important issues. The first is the immediate need to have additional fiscal flexibility to adjust to recent Medicare rate cuts that will lower the state's SNF payment over \$86 million this year. The other is to demonstrate to the state that quality of care will improve, not suffer if the prescriptive settlement process that denies providers managerial flexibility in how they should best allocate their limited fiscal resources.

In a similar vein, the bill would clarify that the additional funds provided by last year's Safety Net Assessment would not have to be settled. The original SNA legislation was silent on the issue, and by inference WHCA believes it should not be settled. DSHS had not made any formal policy statement on the matter until six months after passage of the SNA; they now want the additional funding settled equally across all six spending categories. Despite conversations with DSHS leadership, they have remained silent on the matter. Subsequently, WHCA is challenging DSHS seeking legislative intervention.

Legislation Seeks Restoration of Financing Allowance Rates

WHCA is working to avoid a potential \$37 million cut in rates in SNF's Financing Allowance rates that, if not repealed, will take effect July 1, 2013. The provision that would lower current Financing Allowance rates to 4.0% effective at the end of this biennium, were included as a "safeguard" to the Safety Net Assessment bill, in the event that the State Plan Amendment (SPA) would not be approved. Since the SPA was indeed approved, WHCA is working to restore the rates for assets purchased before June 30, 2011 back to pre-enactment of ESSB 5581 levels.



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American Health Care Association



National Center for Assisted Living



[HB 2685](#), sponsored by Representative Andy Billig (D-Spokane) has been referred to the House Health and Human Services Appropriations Committee for consideration. WHCA lobbyists met this week with Committee Chair Representative Mary Lou Dickerson (D-Seattle) to make the case for a public hearing. Click [here](#) for WHCA's position paper on the issue. We anticipate that the bill will be heard next week.

Assisted Living Bill Saddled with Fiscal Note

In a session where every dollar counts, WHCA's assisted living name legislation to change the term "boarding home" to "assisted living," [SHB 2056](#) was slowed this week with the introduction of a fiscal note on the bill. DSHS has estimated that it will require 1.4 FTEs and an investment of \$138,000 to change the term "boarding home" to "assisted living" in state regulation. Because there is a fiscal impact, the bill was referred to the House Health and Human Services Appropriations Committee, where it is scheduled for a public hearing on January 31. WHCA lobbyists met this week with bill sponsor Representative Kevin Van De Wege (D-Sequim) to express concern about the fiscal note, which could impact bill passage.

Medications Assistant Endorsement Legislation Passes House Health Care Committee

On Thursday, the House Health Care Committee voted unanimously to pass [HB 2473](#), WHCA's legislation to allow additionally trained and certified staff to provide medications assistance in skilled nursing facilities. Sponsored by Representative Tami Green (D-Lakewood), the legislation directs the Nursing Commission to promulgate rules to implement the program by 2013. From here, the legislation will go to the House Rules Committee, and then will be eligible for a floor vote. [Here](#) is the WHCA position paper on the legislation. Please make it a priority to email your Representatives in the House this week to encourage them to support the legislation.

Prohibition on Mandatory Overtime Creates Barriers to Quality

[HB 2501](#), legislation that would significantly limit mandatory overtime and on-call requirements for health care facility workers, including certified nursing assistants and respiratory care practitioners in nursing homes, was heard this week in the House Committee on Labor and Workforce Development. In addition to prohibiting mandatory overtime for these workers, the bill prohibits providers from using on-call time to fill "chronic or foreseeable" staff shortages, so providers could no longer require licensed nurses and CNAs to be on call and then actually call those staff in. Go [here](#) to send an email opposing the legislation to your legislators. Bill sponsors include Representatives Green (D-Lakewood), Cody (D-West Seattle), Jinkins (D-Tacoma), Ryu (D-Shoreline), Lytton (D-Anacortes), Sells (D-Everett), Reykdal (D-Olympia), Kirby (D-Tacoma), Van De Wege (D-Sequim), Moeller (D-Vancouver), Darneille (D-Tacoma), Miloscia (D-Federal Way), Santos (D-Seattle), and Roberts (D-Lynnwood).

Recycled Medications Bill Continues to Move

[HB 2228](#), legislation sponsored by Representative Laurie Jinkins (D-Tacoma) was subject to executive action in the House Health Care Committee this week. The legislation allows pharmacies to accept donations of unused and unopened prescription drugs and supplies from healthcare practitioners and medical facilities for redistribution to low-income, uninsured, or individuals otherwise in need. Under the bill, pharmacies and medical facilities would be required to inspect donated prescription drugs and supplies prior to redistribution to ensure that the prescription drugs and supplies meet certain quality-control criteria. Additionally, the bill establishes legal immunity for dispensing facilities and pharmaceutical manufacturers. WHCA will continue to monitor the legislation.

Provider Discipline Subject of Moeller Legislation

Representative Jim Moeller (D-Vancouver), is sponsoring legislation to expand provisions to protect vulnerable adults. [HB 2578](#) passed out of the House Health Care Committee this week. Under the legislation, any credentialed health care provider or applicant for a health professions credential who has been disqualified from having unsupervised access to vulnerable adults by a final order of the Department of Social and Health Services, is prohibited from practicing his or her profession until the Department of Health or appropriate health professions board or commission has completed its disciplinary proceedings.

Bill Tracker

Committee cut-off for policy bills is Friday, February 3, so the pace will be frenetic next week. Go [here](#) for a status report on WHCA priority legislation.

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