

March 24, 2023

Total GF-S in Senate Budget = \$69.2 Billion
Total GF-S in Today's budget = \$64.1 Billion
Total GF-S in the Governor's budget = \$70.4 Billion

Senate Releases Conservative Budget Plan for LTC

Yesterday, the Senate Ways and Means Committee chair Senator Christine Rolfes (D-23) released the Senate operating budget proposal for the 2023-2025 biennium. The budget will impact Medicaid funding from July 1, 2023, through June 30, 2025. The DSHS recommended budget included \$383M GF-S in funding for skilled nursing, assisted living, and enhanced services facilities, whereas the Governor's budget recommended level was \$313M GF-S. The Senate proposal is more conservative and would allocate \$272M in state funding for the two-year budget cycle. Here is a [comparison of proposals](#).

For skilled nursing facilities, the Senate takes a pass on legislation to annually rebase nursing facility Medicaid rates—but has again allocated a one-time annual rates rebase that will bring base rates to 2021 levels on July 1, 2023. On the positive side, the Senate plan includes inflation adjustments for both years of the biennium. The budget dial is established at \$349.42 for FY24 and \$364.67 for FY25.

For assisted living, the Senate proposal increases funding for labor to 80% of the actual cost; operations costs are increased to 70%. Limited funding for specialized dementia care and expanded community services was also included in the plan. Under the Senate proposal, the current assisted living Medicaid average daily rate of \$102.55 is rebased to \$109.88. The Senate proposal would further increase the average daily rate to \$124.67 starting July 1, 2023.

For Enhanced Services Facilities, the Senate budget cut the recommended rate increase of 30% to 25% and passed on the WHCA budget proposal to create a work group to determine payment methodology.

This evening, WHCA members including Nadine DeKlerk, Robert Washbond, Britney Beatty, and Jacqueline Kinley will join WHCA CEO Carma Matti-Jackson in responding to the budget. There are currently over 100 people signed up to testify for the Human Services section of the budget. There will also be testimony on eight other areas of the state budget.

On Monday, the House will release the final budget proposal to be considered during the 2023 session; the House plan will be subject to public testimony on Monday afternoon. We will be working on Monday to update you about the House proposal.

Our job in the coming days will be to secure the best possible funding for our members. Please stay tuned as we update you next week about the optimal plan for 2023-2025.