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Advocates for the Long-Term Care of Washington's Elderly and Frail

MEMORANDUM

TO: WHCA Members
FROM: Gary Weeks, Executive Director
DATE: March 20, 2007
RE: House Budget Proposal for Long Term Care

The House budget released today is a mixed bag for Washington skilled nursing facility and boarding home providers. Nursing homes received an appropriation of \$30 million for rebasing to 2005 costs, an improvement of \$15 million general fund state over the Governor's budget proposal, while the boarding home proposal remained static with a vendor rate increase of 3.2% on July 1, 2008 and 2% on July 1, 2009.

Here is a synopsis of the House budget plan. Our work now moves to the Senate, where we will be working to further close the current gap in nursing home and boarding home funding:

House Budget Highlights

- Nursing home vendor rates increase by 3.2% effective July 1, 2007 and an additional amount effective July 1, 2008. The allocation of the additional amount, \$13 million, will be determined based on work of a new task force on residential payment systems. The budget dial for SNF rates is \$156.95 in FY 2008 and \$165.38 in FY 2009.
- Capital Authorization certificate awards level remains the same at \$16 million per year, without policy language regarding prioritization of projects.
- Boarding Home & Adult Family Care vendor rates to increase 3.2% in FY 2008 and an additional 2.0% in FY 2009.
- Provides for 100 additional beds for specialized dementia boarding home program.
- Establishes the Joint Legislative Task Force on Long Term Care Residential Payment Systems to recommend payment methodologies and report to the legislature by Dec. 1, 2007. The task force is charged with a study of long term care rates in Washington, with the requirement that a focus of the study be on high Medicaid facilities and on caregiver recruitment and retention.
- Personal needs allowance increase 2.7% per year; \$55.14 in FY 2008 and \$58.10 in FY 2009.

Special thanks to those of you who continue to write, call and communicate with your legislators regarding the critical importance of funding improvements this session. We appreciate your advocacy efforts on behalf of the residents, employees and families with whom you work.