

Dear LeadingAge Washington Members,

It's that time of year again! The 2021 legislative session begins on Monday the 11th. Since it is an odd-numbered year, it will be a 105-day session where the state's biennial operating budget will be decided. Because of the COVID-19 pandemic, it will be an unusual year, and everything will be done remotely. This will cause limitations, and we expect far fewer bills to be introduced and fewer bills to pass this year than is typical. We also expect many of the issues to be agreed upon ahead of time by the legislature. The silver lining to a virtual session is that it may be more accessible for members to advocate. Instead of traveling to Olympia, members can schedule zoom meetings with their legislator and testify during public hearings over Zoom. Since the state continues to face a budget deficit, resulting from a slowed pandemic economy, it will be more important than ever for members to engage.

LeadingAge Washington will advocate for the following policy and budget items.

Budget

Skilled Nursing-DSHS has offered legislation to place annual rebasing and an annual inflation factor in statute. Importantly, the Governor's budget released November 18th, includes the funding necessary to annually rebase and apply an inflation factor adjustment to the skilled nursing rates during the 21/23 biennium. We understand the department's request legislation will be introduced in the House and the prime sponsor is Representative Schmick, a Republican in leadership on the health care committee. The second bill sponsor is expected to be Representative Macri, a Democrat also in a position of leadership on the health care committee.

Annual rebasing is an adjustment to the payment system that we have long advocated for to prevent Medicaid rates from lagging too far behind the costs of care. Also, important to the payment system and setting of rates is the application of an annual inflation adjustment factor since the underlying cost report data used to set rates is, at a minimum, 1.5 years old by the time the new rate is set. The inflation factor will continue to use the *CPI-U All*, as published by the Bureau of Labor and Statistics. The inflation factor is found by determining the difference between the published inflation factors over a two year period. Last July, the inflation factor used was the difference between May 2018 and May 2020 and was 1.91%. We are pleased that the department and the Governor's office have recognized the funding needs of skilled nursing and have prioritized annual rebasing and inflation of underlying cost data. **Total funds - \$23 million, \$11.5 million GF-S.**

However, we don't believe annual rebasing and inflation alone will close the enormous gap between costs of care and the rates paid. Medicaid underfunding is projected to be nearly \$109 million for 2020 and \$110 in 2021 following rebasing and inflation of costs. The best we will do, without further adjusting the mechanics of the payment system, is close the underfunding gap to approximately \$100 million. Therefore, we are advocating for funding in an amount necessary to increase the direct care median from 100% to 105%. A policy bill is unnecessary to increase the direct care price to 105% of median as the current statute provides the necessary flexibility. This is a budget ask only. Accomplishing an increase in the price paid for direct care, is a much needed investment to better enable skilled nursing to compete for nurses, CNAs and other support staff and maintain and improve quality of care. **Total funds - \$46.4 million, \$23.2million GF-S.**

Combined, annual rebasing, inflation factor and direct care median set at 105% of the median, cost \$34.7 million GF-S or \$69.4 million Total Funds.

Assisted Living- Nearly half of the CARES classifications haven't seen a rate increase in nearly 5 years. We must correct years of funding neglect and are pushing the legislature to implement an across the board rate increase of 2.5% each year of the biennium. This will ensure that all classifications will receive a rate increase. While the funding needed to achieve this pales in comparison to the \$114 million needed to fully fund the assisted living rate methodology, it is an important and continuing step towards our ultimate funding goal. To gain traction towards fully funding the methodology, we are also calling on the legislature to instruct DSHS to create a plan to phase us towards a fully funded model. **Total funds - \$13.3 million, \$6.3 million GF-S.**

We are also requesting that the legislature implement the rate increase for Specialized Dementia Care clients that was passed last year. This rate increase was vetoed by Governor Inslee in order to redirect the funding to the COVID response. **Total funds - \$6 million, \$3 million GF-S.**

Policy

LTC Pandemic Preparedness- LeadingAge Washington and Washington Health Care Association have jointly drafted a bill that would strengthen the state's response to COVID-19 and any future pandemics. Throughout this pandemic, long term care has felt the weaknesses in our response system and the challenges with the 39 different Local Health Jurisdictions having "home rule" authority to control actions. As a result, we've experienced inconsistencies in LHJ rules and criteria established for LTC impacting admission and discharge policies, quarantine requirements, resident cohorting, and visitation policies. The bill will require a stakeholder workgroup to guide the Department of Health to develop pandemic disease preparedness and response guidelines for long term care facilities. The guidelines should streamline, coordinate and better prepare our response to future pandemics.

Nurse Compact Act- For many years, LeadingAge Washington has advocated for Washington to join the nurse compact. Under the compact, nurses can practice in other compact states without obtaining a specific Washington State license, which would allow LTC providers to hire a nurse faster. With the workforce shortage we face, this only seems like a modest and logical approach to remove barriers to hire needed nursing staff. COVID-19 has only increased our workforce challenges making this more crucial than ever before.

Limited Liability Protections- Since the beginning of the pandemic, we have advocated for limited liability protections for long term care communities and its employees. COVID-19 has created many uncontrollable circumstances that we believe have left providers and workers vulnerable to lawsuits. Additionally, we have experienced significant increases in liability insurance premiums, with some carriers excluding COVID related claims. While this issue is politically very divisive among legislators, we will continue to advocate for limited but necessary protections.

DSHS COVID Related Statutory Changes Needed Throughout the pandemic, we've seen over 50 RCW and WACs waived to help eliminate barriers and help providers better respond to COVID. Many of the waivers applied to our workforce training and on-boarding requirements. Because workers can not comply with the timelines set in the RCWs, permanent changes to laws are necessary to avoid disruption of our current workforce. This legislation will be an omnibus bill, submitted by DSHS, which will house many of these needed fixes. LeadingAge Washington has been working with the department to develop this legislation for months and it is a top priority in getting it passed.

As always, there are bills that will come up during session impacting long term care that we will either work to support or oppose.

We will keep members updated on bill numbers and any changes throughout session in our weekly wrap up and we will ask for your engagement as session rolls forward.

Member Advocacy

Now is the time to start meeting with your Senator and Representatives. Your legislators will not know how to prioritize funding unless they hear from their constituents. They need to know the impacts, the needs, and personal experiences of your communities.

Please make it a priority to advocate for Medicaid funding. Here's how:

Make sure you know the legislative district in which your community is located. Click [here](#) to for the legislative district look up.

Call legislative assistants to book an appointment. Here's a [roster of all legislators](#) with office contact information. You will want to meet with both of your representatives and your senator.

A LeadingAge Washington staff member will be available to join your meetings and will provide talking points and any other needed information ahead of time.

For targeted advocacy, we will be using our new advocacy software. The software allows us to generate messaging and to target messaging to key legislators, all you need to do is enter contact information and your facility address and hit send. It's also possible to expand your messaging to other districts based on the address of your personal residence, if different from the facility. Please watch for action alerts from us. You can also visit our Advocacy Action Center, where we will post all current advocacy campaign-related information.

Grassroots advocacy will also be running through the Washington Health Action Network (WHAN), a not for profit corporation created last year by Washington Health Care Association and supported by LeadingAge WA, to broaden our advocacy reach to include the general public. The WHAN has a large number of followers that will be activated to send general messages to the Governor and legislators to support funding for long term care. There will also be social media campaigns to broaden the coalition of advocates and urge them to get involved.

We are always happy to support your advocacy efforts in any way we can. Please let me know if you have any questions. As always, we will continue to keep you up to date with all session happenings.