<u>NEW SECTION</u>. Sec. 18. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the House April 20, 1987.

Passed the Senate April 8, 1987.

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CHAPTER 406

[Substitute House Bill No. 646]

ALCOHOLISM AND DRUG ADDICTION TREATMENT AND SUPPORT ACT

AN ACT Relating to alcoholism and drug addiction treatment and shelter and general assistance—unemployable; amending RCW 74.04.005, 74.08.280, 74.09.010, and 74.09.035; and adding a new chapter to Title 74 RCW.

Be it enacted by the Legislature of the State of Washington:

<u>NEW SECTION.</u> Sec. 1. This chapter may be cited as the alcoholism and drug addiction treatment and support act.

NEW SECTION. Sec. 2. The legislature finds:

- (1) There is a need for reevaluation of state policies and programs regarding indigent alcoholics and drug addicts;
- (2) The practice of providing a cash grant may be causing rapid caseload growth and attracting transients to the state;
- (3) Many chronic public inebriates have been recycled through county detoxification centers repeatedly without apparent improvement;
- (4) The assumption that all individuals will recover through treatment has not been substantiated:
- (5) The state must modify its policies and programs for alcoholics and drug addicts and redirect its resources in the interests of these individuals, the community, and the taxpayers;
- (6) Treatment resources should be focused on persons willing to commit to rehabilitation; and
- (7) Shelter assistance is an essential service necessary to prevent homelessness and meet the basic needs of indigent alcoholics and drug addicts.

NEW SECTION. Sec. 3. Persons who are incapacitated from gainful employment due to alcoholism or drug addiction and who meet the eligibility requirements as established by rule by the department are eligible for special substance abuse programs as provided under this chapter. Eligible alcoholics and drug addicts shall have their needs addressed by the programs offered by the department of social and health services under this chapter and chapters 69.54 and 70.96A RCW.

NEW SECTION. Sec. 4. A program of treatment and shelter for alcoholics and drug addicts who meet the eligibility requirements is established within the department of social and health services. The eligibility requirements for the treatment and shelter program shall be the same as the eligibility requirements for the general assistance program as set forth in RCW 74.04.005. However, persons who are unemployable solely due to alcohol or drug addiction shall be eligible for services under this chapter, to the extent of available funds, instead of the general assistance—unemployable program. This program shall consist of:

- (1) Client assessment services;
- (2) A treatment program for alcoholics and drug addicts;
- (3) A shelter program for indigent alcoholics and drug addicts;
- (4) Assistance in making application for enrollment in the federal supplemental security income program under the social security administration act; and
 - (5) Medical care services as defined in RCW 74.09.010.

<u>NEW SECTION.</u> Sec. 5. (1) The department shall provide client assessment, treatment, and support services. The assessment services shall include diagnostic evaluation and arranging for admission into treatment or supported living programs.

(2) The department shall assist clients in making application for supplemental security benefits and in obtaining the necessary documentation required by the federal social security administration for such benefits.

NEW SECTION. Sec. 6. (1) The department shall provide alcohol and drug treatment services within available funds for indigent persons eligible under this chapter who are incapacitated from gainful employment due to drug or alcohol abuse or addiction. The treatment services may include but are not limited to:

- (a) Intensive inpatient treatment services;
- (b) Recovery house treatment;
- (c) Outpatient treatment and counseling, including assistance in obtaining employment, and including a living allowance while undergoing outpatient treatment. The living allowance shall be administered on the clients' behalf by the outpatient treatment facility or other social service agency designated by the department. The department is authorized to pay the facility a fee for administering this allowance.
- (2) No individual may receive treatment services under this section for more than six months in any two-year period: PROVIDED, That the department may approve additional treatment and/or living allowance as an exception.

<u>NEW SECTION.</u> Sec. 7. The department shall establish a shelter assistance program to ensure the availability of shelter for persons eligible

under this chapter. The department may contract with counties and cities for such shelter services.

- <u>NEW SECTION.</u> Sec. 8. (1) If a county elects to establish a multipurpose diagnostic center or detention center, the alcoholism and drug addiction assessment service under section 5 of this act may be integrated into the services provided by such a center.
- (2) The center may be financed from funds made available by the department for alcoholism and drug addiction assessments under this chapter and funds contained in the department's budget for detoxification, involuntary detention, and involuntary treatment under chapters 70.96A and 71.05 RCW. The center may be operated by the county or pursuant to contract between the county and a qualified organization.
- Sec. 9. Section 1, chapter 6, Laws of 1981 1st ex. sess. as last amended by section 2, chapter 335, Laws of 1985 and RCW 74.04.005 are each amended to read as follows:

For the purposes of this title, unless the context indicates otherwise, the following definitions shall apply:

- (1) "Public assistance" or "assistance"——Public aid to persons in need thereof for any cause, including services, medical care, assistance grants, disbursing orders, work relief, general assistance and federal-aid assistance.
 - (2) "Department"——The department of social and health services.
- (3) "County or local office"——The administrative office for one or more counties or designated service areas.
- (4) "Director" or "secretary" means the secretary of social and health services.
- (5) "Federal-aid assistance"——The specific categories of assistance for which provision is made in any federal law existing or hereafter passed by which payments are made from the federal government to the state in aid or in respect to payment by the state for public assistance rendered to any category of needy persons for which provision for federal funds or aid may from time to time be made, or a federally administered needs-based program.
 - (6) (a) "General assistance"——Aid to persons in need who:
- (i) Are not eligible to receive federal-aid assistance, other than food stamps and medical assistance; however, an individual who refuses or fails to cooperate in obtaining federal-aid assistance, without good cause, is not eligible for general assistance; ((and))
 - (ii) Are either:

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(A) Pregnant: PROVIDED, That need is based on the current income and resource requirements of the federal aid to families with dependent children program: PROVIDED FURTHER, That during any period in which an aid for dependent children employable program is not in operation, only those pregnant women who are categorically eligible for medicaid are eligible for general assistance; or

- (B) Incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of sixty days as determined by the department((: PROVIDED, That persons in approved alcoholism or drug programs may be eligible for less than a sixty-day period-in accordance with their plans)). Persons who are unemployable due to alcohol or drug addiction are not eligible for general assistance. Persons receiving general assistance on the effective date of this 1987 section or becoming eligible for such assistance thereafter, due to an alcohol or drugrelated incapacity, shall be referred to appropriate assessment, treatment, shelter, or supplemental security income referral services as authorized under chapter 74.— RCW (sections 1 through 8 of this 1987 act). Referrals shall be made at the time of application or at the time of eligibility review. Alcoholic and drug addicted clients who are receiving general assistance on the effective date of this 1987 section may remain on general assistance if they otherwise retain their eligibility until they are assessed for services under chapter 74.— RCW (sections 1 through 8 of this 1987 act). This subsection (6)(a)(ii)(B) shall not be construed to prohibit the department from granting general assistance benefits to alcoholics and drug addicts who are incapacitated due to other physical or mental conditions that meet the elilibility criteria for the general assistance program;
- (iii) Are citizens or aliens lawfully admitted for permanent residence or otherwise residing in the United States under color of law; and
- (iv) Have furnished the department their social security account number. If the social security account number cannot be furnished because it has not been issued or is not known, an application for a number shall be made prior to authorization of assistance, and the social security number shall be provided to the department upon receipt.
- (b) Notwithstanding the provisions of subsection (6)(a)(i) ((and)), (ii), and (c) of this section, general assistance shall be provided to the following recipients of federal-aid assistance:
- (i) Recipients of supplemental security income whose need, as defined in this section, is not met by such supplemental security income grant because of separation from a spouse; or
- (ii) To the extent authorized by the legislature in the biennial appropriations act, to recipients of aid to families with dependent children whose needs are not being met because of a temporary reduction in monthly income below the entitled benefit payment level caused by loss or reduction of wages or unemployment compensation benefits or some other unforeseen circumstances. The amount of general assistance authorized shall not exceed the difference between the entitled benefit payment level and the amount of income actually received.

- (c) General assistance shall be provided only to persons who are not members of assistance units receiving federal aid assistance, except as provided in subsection (6)(a)(ii)(A) and (b) of this section, and will accept available services which can reasonably be expected to enable the person to work or reduce the need for assistance unless there is good cause to refuse. Failure to accept such services shall result in termination until the person agrees to cooperate in accepting such services and subject to the following maximum periods of ineligibility after reapplication:
 - (i) First failure: One week;
 - (ii) Second failure within six months: One month;
 - (iii) Third and subsequent failure within one year: Two months.
- (d) The department shall adopt by rule medical criteria for general assistance eligibility to ensure that eligibility decisions are consistent with statutory requirements and are based on clear, objective medical information.
- (e) The process implementing the medical criteria shall involve consideration of opinions of the treating or consulting physicians or health care professionals regarding incapacity, and any eligibility decision which rejects uncontroverted medical opinion must set forth clear and convincing reasons for doing so.
- (f) Recipients of general assistance who remain otherwise eligible shall not have their benefits terminated absent a clear showing of material improvement in their medical or mental condition or specific error in the prior determination that found the recipient eligible by reason of incapacitation.
- (7) "Applicant"——Any person who has made a request, or on behalf of whom a request has been made, to any county or local office for assistance.
- (8) "Recipient"——Any person receiving assistance and in addition those dependents whose needs are included in the recipient's assistance.
- (9) "Standards of assistance"——The level of income required by an applicant or recipient to maintain a level of living specified by the department.
- (10) "Resource"—Any asset, tangible or intangible, owned by or available to the applicant at the time of application, which can be applied toward meeting the applicant's need, either directly or by conversion intomoney or its equivalent: PROVIDED, That an applicant may retain the following described resources and not be ineligible for public assistance because of such resources.
- (a) A home, which is defined as real property owned and used by an applicant or recipient as a place of residence, together with a reasonable amount of property surrounding and contiguous thereto, which is used by and useful to the applicant. Whenever a recipient shall cease to use such property for residential purposes, either for himself or his dependents, the property shall be considered as a resource which can be made available to

meet need, and if the recipient or his dependents absent themselves from the home for a period of ninety consecutive days such absence, unless due to hospitalization or health reasons or a natural disaster, shall raise a rebuttable presumption of abandonment: PROVIDED, That is in the opinion of three physicians the recipient will be unable to return to the home during his lifetime, and the home is not occupied by a spouse or dependent children or disabled sons or daughters, such property shall be considered as a resource which can be made available to meet need.

- (b) Household furnishings and personal effects and other personal property having great sentimental value to the applicant or recipient, as limited by the department consistent with limitations on resources and exemptions for federal aid assistance.
- (c) A motor vehicle, other than a motor home, used and useful having an equity value not to exceed one thousand five hundred dollars.
- (d) All other resources, including any excess of values exempted, not to exceed one thousand dollars or other limit as set by the department, to be consistent with limitations on resources and exemptions necessary for federal aid assistance.
- (e) Applicants for or recipients of general assistance may retain the following described resources in addition to exemption for a motor vehicle or home and not be ineligible for public assistance because of such resources:
- (i) Household furnishings, personal effects, and other personal property having great sentimental value to the applicant or recipient;
 - (ii) Term and burial insurance for use of the applicant or recipient;
- (iii) Life insurance having a cash surrender value not exceeding one thousand five hundred dollars; and
- (iv) Cash, marketable securities, and any excess of values above one thousand five hundred dollars equity in a vehicle and above one thousand five hundred dollars in cash surrender value of life insurance, not exceeding one thousand five hundred dollars for a single person or two thousand two hundred fifty dollars for a family unit of two or more. The one thousand dollar limit in subsection (10)(d) of this section does not apply to recipients of or applicants for general assistance.
- (f) If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value shall be used in determining the need of the applicant or recipient, except that: (i) The department may exempt resources or income when the income and resources are determined necessary to the applicant's or recipient's restoration to independence, to decrease the need for public assistance, or to aid in rehabilitating the applicant or recipient or a dependent of the applicant or recipient; and (ii) the department may provide grant assistance to persons who are otherwise ineligible because of excess real property owned by such

persons when they are making a good faith effort to dispose of that property, but the recipient must sign an agreement to dispose of the property and repay assistance payments made to the date of disposition of the property which would not have been made had the disposal occurred at the beginning of the period for which the payments of such assistance were made. In no event shall such amount due the state exceed the net proceeds otherwise available to the recipient from the disposition, unless after nine months from the date of the agreement the property has not been sold, or if the recipient's eligibility for financial assistance ceases for any other reason. In these two instances the entire amount of assistance paid during this period will be treated as an overpayment and a debt due the state, and may be recovered pursuant to RCW 74.04.700.

- (11) "Income"——(a) All appreciable gains in real or personal property (cash or kind) or other assets, which are received by or become available for use and enjoyment by an applicant or recipient during the month of application or after applying for or receiving public assistance: PROVID-ED, That the department may by rule and regulation exempt income received by an applicant for or recipient of public assistance which can be used by him to decrease his need for public assistance or to aid in rehabilitating him or his dependents, but such exemption shall not, unless otherwise provided in this title, exceed the exemptions of resources granted under this chapter to an applicant for public assistance: PROVIDED FURTHER, That in determining the amount of assistance to which an applicant or recipient of aid to families with dependent children is entitled, the department is hereby authorized to disregard as a resource or income the earned income exemptions consistent with federal requirements: PROVIDED FURTHER, The department may permit the above exemption of earnings of a child to be retained by such child to cover the cost of special future identifiable needs even though the total exceeds the exemptions or resources granted to applicants and recipients of public assistance, but consistent with federal requirements. In formulating rules and regulations pursuant to this chapter, the department shall define income and resources and the availability thereof, consistent with federal requirements. All resources and income not specifically exempted, and any income or other economic benefit derived from the use of, or appreciation in value of, exempt resources, shall be considered in determining the need of an applicant or recipient of public assistance.
- (b) If, under applicable federal requirements, the state has the option of considering property in the form of lump sum compensatory awards or related settlements received by an applicant or recipient as income or as a resource, the department shall consider such property to be a resource.

- (12) "Need"——The difference between the applicant's or recipient's standards of assistance for himself and the dependent members of his family, as measured by the standards of the department, and value of all nonexempt resources and nonexempt income received by or available to the applicant or recipient and the dependent members of his family.
- (13) In the construction of words and phrases used in this title, the singular number shall include the plural, the masculine gender shall include both the feminine and neuter genders and the present tense shall include the past and future tenses, unless the context thereof shall clearly indicate to the contrary.
- Sec. 10. Section 74.08.280, chapter 26, Laws of 1959 as amended by section 328, chapter 141, Laws of 1979 and RCW 74.08.280 are each amended to read as follows:

If any person receiving public assistance ((is, on the testimony of reputable witnesses, found incapable of taking)) has demonstrated an inability to care ((of himself)) for oneself or ((his)) for money, the ((secretary)) department may direct the payment of the installments of public assistance to any responsible person, social service agency, or corporation or to a legally appointed guardian for his benefit((: PROVIDED, That)). The state may contract with persons, social service agencies, or corporations approved by the department to provide protective payee services for a fixed amount per recipient receiving protective payee services to cover administrative costs. The department may by rule specify a fee to cover administrative costs. Such fee shall not be withheld from a recipient's grant.

If the state requires the appointment of a guardian for this purpose, the department shall pay all costs and reasonable fees as fixed by the court.

Sec. 11. Section 74.09.010, chapter 26, Laws of 1959 as last amended by section 18, chapter 6, Laws of 1981 1st ex. sess. and RCW 74.09.010 are each amended to read as follows:

As used in this chapter:

- (1) "Department" means the department of social and health services.
- (2) "Secretary" means the secretary of social and health services.
- (3) "Internal management" means the administration of medical assistance, medical care services, and the limited casualty program.
- (4) "Medical assistance" means the federal aid medical care program provided to categorically needy persons as defined under Title XIX of the federal social security act.
- (5) "Medical care services" means the limited scope of care financed by state funds and provided to general assistance recipients, and recipients of alcohol and drug addiction services provided under chapter 74.— RCW (sections 1 through 8 of this 1987 act).
- (6) "Limited casualty program" means the medical care program provided to medically needy persons as defined under Title XIX of the federal

social security act, and to medically indigent persons who are without income or resources sufficient to secure necessary medical services.

- (7) "Nursing home" means nursing home as defined in RCW 18.51.010.
- Sec. 12. Section 19, chapter 6, Laws of 1981 1st ex. sess. as last amended by section 1, chapter 5, Laws of 1985 and RCW 74.09.035 are each amended to read as follows:
- (1) To the extent of available funds, medical care services may be provided to recipients of general assistance, and recipients of alcohol and drug addiction services provided under chapter 84.— RCW (sections 1 through 8 of this 1987 act), in accordance with medical eligibility requirements established by the department.
- (2) Determination of the amount, scope, and duration of medical care services shall be limited to coverage as defined by the department, except that adult dental, and routine foot care shall not be included unless there is a specific appropriation for these services.
- (3) The department shall establish standards of assistance and resource and income exemptions, which may include deductibles and co-insurance provisions. In addition, the department may include a prohibition against the voluntary assignment of property or cash for the purpose of qualifying for assistance.
- (4) Residents of skilled nursing homes, intermediate care facilities, and intermediate care facilities for the mentally retarded who are eligible for medical care services shall be provided medical services to the same extent as provided to those persons eligible under the medical assistance program.
- (5) Payments made by the department under this program shall be the limit of expenditures for medical care services solely from state funds.
- (6) Eligibility for medical care services shall commence with the date of certification for general assistance or the date of eligibility for alcohol and drug addiction services provided under chapter 74.— RCW (sections 1 through 8 of this 1987 act).

<u>NEW SECTION.</u> Sec. 13. Sections 1 through 8 of this act shall constitute a new chapter in Title 74 RCW.

Passed the House April 23, 1987.

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