

court finds that such petition should be granted it shall rescind the order of commitment to custody.

SEC. 10. Nothing in this act shall be construed as affecting the authority of the courts to make commitments as otherwise provided by law. No limitation on court.

Passed the House February 27, 1955.

Passed the Senate March 8, 1955.

Approved by the Governor March 18, 1955.

CHAPTER 273.

[H. B. 565.]

PUBLIC ASSISTANCE—MEDICAL CARE.

AN ACT relating to state government and public assistance; creating within the department of public assistance a division of medical care; transferring the administrative responsibility for providing medical and related services to the department of public assistance; repealing chapter 5, Laws of 1953, first extraordinary session and sections RCW 74.08.390 through 74.08.520; repealing and reenacting section 6, chapter 174, Laws of 1953 and section 6, chapter 216, Laws of 1939 and RCW 74.04.050; and adding a new chapter to Title 74 RCW.

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

SECTION 1. Title 74 RCW shall have added thereto a new chapter numbered Chapter 74.09 and entitled "Medical Care" and in which chapter sections 2 through 24 of this act shall be codified. New chapter.

SEC. 2. Definition of terms:

(1) "Department" means the department of public assistance. Terms defined.
"Department."

(2) "Director" means the director of the department of public assistance. "Director."

(3) "Division" or "division of medical care" means the division of medical care of the department of public assistance. "Division."

(4) "Assistant director" means the supervisor "Assistant director."

of the division of medical care of the department of public assistance.

"Internal management."

(5) "Internal management" means the administration of medical and related services to recipients of public assistance and medical indigent persons.

"Medical indigents."

(6) "Medical indigents" are persons without income or resources sufficient to secure necessary medical services.

"Chapter."

(7) "Chapter" means Chapter 74.09 RCW.

"Nursing home."

(8) "Nursing home" as used in this act means nursing home as defined in RCW 18.51.010.

Purpose.

SEC. 3. The purpose of this chapter is to provide for more efficient administration of medical, dental and allied services to recipients of public assistance and medical indigent persons.

Administrative responsibility vested in division of medical care.

SEC. 4. On and after July 1, 1955, administrative responsibility for providing for needed medical, dental and allied services to recipients of public assistance and medical indigents shall be the responsibility of the division of medical care.

Transfer of records and papers, equipment and fixtures.

The director of the state department of health shall within thirty days after July 1, 1955, transfer and deliver to the offices of the division of medical care all books, documents, records, papers, and any other writings, and all cabinets, files, furniture, office equipment, motor vehicles, and other tangible property and fixtures which have been used or needed to carry out the administrative responsibilities of providing for needed medical, dental and allied services to recipients of public assistance and medical indigents which was transferred to the department of health by section 1, chapter 5, Laws of 1953 first extraordinary session and which by this chapter will be transferred to the division of medical care on July 1, 1955.

Establishment of division of medical care.

SEC. 5. There is hereby established in the department of public assistance a division of medical care.

The division of medical care shall be administered by an assistant director appointed by the director of the department in accordance with the state merit system or its successor. The assistant director may be a physician and shall be selected on the basis of his knowledge and understanding of administration and shall have demonstrated his ability therein.

Assistant director appointed.

SEC. 6. The assistant director shall be directly responsible to the director and shall have charge and supervision of the division of medical care. With the approval of the director, he shall appoint such professional personnel and other assistants and employees, including professional medical screeners, as may be reasonably necessary to carry out the provisions of this act. The medical screeners shall be supervised by one or more physicians who shall be appointed by the assistant director.

Assistant director responsible to director of public assistance; appointment of personnel.

SEC. 7. The assistant director in the exercise of his administrative responsibilities shall:

(1) Prepare and submit to the director rules, regulations and procedures for the exercise and performance of the administrative powers and duties vested in or imposed upon him, not inconsistent with the law.

Rules, regulations and procedures.

(2) Determine, and from time to time alter when necessary, the internal organization of the division to promote maximum efficiency and economy.

Internal organization.

SEC. 8. The determination of eligibility of recipients for public assistance shall be the responsibility of the department.

Determination of eligibility.

Recipients of public assistance shall be entitled to such medical services as are defined by the assistant director, who shall consider the recommendations thereon of the welfare medical care committee.

The determination of eligibility of medical indigents shall be the responsibility of the division of medical care with consideration to the standards

recommended by the welfare medical care committee. The division of medical care is empowered to employ the necessary personnel to carry out the standards established.

Authority of division when carrying out administrative responsibility.

SEC. 9. In carrying out the administrative responsibility of this chapter, the division of medical care may contract with an individual or a group, may utilize existing local state public assistance offices, or establish separate welfare medical care offices on a county or multi-county unit basis as found necessary.

Division may utilize county hospitals and infirmaries.

SEC. 10. (1) The division of medical care may utilize county hospitals and county infirmaries as determined necessary. County institutions so used shall submit a county hospitalization budget and/or infirmary budget to the director not less than forty days prior to the time county budgets are finally approved and adopted by the county commissioners. He shall consider the proposed budget or budgets and return it or them to the commissioners with his recommendations within thirty days of its receipt by him. The commissioners shall be empowered to adopt as the final budget the proposed budget or budgets as submitted by the board or boards of trustees, recommended budget or budgets of the director or such budget or budgets as the county commissioners themselves determine to adopt: *Provided*, That if the total of the budget or budgets as finally adopted shall be in excess of the total of the budget or budgets as recommended by the director, the said director may withhold from the county the amount of the excess over and above the total set forth in his recommended budget or budgets.

Budgets.

Director's power over budgets.

Compliance with regulations of state department of health.

Any county infirmary so used shall comply with all rules and regulations of the Washington state department of health applicable to nursing homes adopted by the said department under authority of

chapter 117, Laws of 1951 as amended by chapter 160, Laws of 1953.

County hospitals and county infirmaries financed by state funds shall be empowered to accept and care for eligible patients from any county in the state.

Patients from other counties.

(2) Persons other than recipients or medical indigents who require hospital care for communicable disease, whether under quarantine or not, and persons sufficiently mentally disturbed or ill to be placed in a county hospital for observation, diagnosis and/or treatment shall be required to pay for such hospital and medical care at the same rate as charged by non-governmental hospitals and/or private physicians in the county where the hospital is located.

Persons required to pay for care.

(3) Persons other than recipients or medical indigents who receive emergency medical or hospital care at a county hospital shall pay for such medical and/or hospital services or care at the same rate as charged by non-governmental hospitals and private physicians in the county where the hospital is located.

Payment for emergency care.

(4) The division of medical care shall provide for necessary physicians' services and hospital care, considering the recommendations of the welfare medical care committee, and may provide such allied service as dental services, nursing home care, ambulance services, drugs, medical supplies, nursing services in the home, and other appliances, considering recommendations of the welfare medical care committee, who shall take into consideration the appropriations available.

Welfare medical care committee.

Allied services.

(5) The division of medical care shall provide (a) for evaluation of employability when a person is applying for public assistance representing a medical condition as the basis for need, and (b) for medical reports to be used in the evaluation of total and permanent disability. It shall further provide for medical consultation and assistance in determining

Division of medical care provides.

the need for special diets, housekeeper and attendants' services, and other requirements as found necessary because of the medical condition under rules promulgated by the director after considering the recommendation thereon of the welfare medical care committee.

State welfare medical care committee; membership, appointments and duties.

SEC. 11. There is hereby established a state welfare medical care committee composed of twelve members, six members representing the major providers of medical service, one a legislator, one a county commissioner, and the remaining four from the public. Members shall be appointed by the governor and serve at his pleasure and they shall be entitled to actual and necessary travel expenses, together with actual and necessary subsistence expenses not to exceed ten dollars per day, while carrying out the functions of this committee.

The committee shall advise and give assistance to the director and assistant director in planning and carrying out the most efficient and economical welfare medical care program. It shall assist the director and assistant director in preparing and presenting the biennial appropriation request to the governor and the legislature.

Employment of personnel.

SEC. 12. The division of medical care shall employ administrative personnel in both state and local offices and employ the services of professional screeners and consultants as found necessary to carry out the proper administration of the program.

Purchasing necessary physician and dental services; contracts and rates.

SEC. 13. The division of medical care shall purchase necessary physician and dentist services by contract or "fee for service." The division of medical care shall purchase hospital care by contract or by all inclusive day rate, or at not more than the minimum ward rate of each hospital after approval of the rate by the division of medical care. Any hospital when requested by the division of medical

care shall supply such information as necessary to justify its rate. All additional services provided by the hospitals shall be purchased at rates established by the division of medical care after consultation with the hospital. The division of medical care shall purchase nursing home care by contract or at not more than the minimum ward rate of each nursing home. Any nursing home when requested by the division of medical care shall supply such information as necessary to justify this rate. All additional services provided by the nursing home shall be purchased at rates established by the division of medical care after consultation with the nursing home.

All other services and supplies, including drugs, provided under the program shall be secured generally through customary trade channels in accordance with contracts between the vendor and the division of medical care.

Use of customary trade channels.

SEC. 14. The state welfare medical care committee may make recommendations for the minimum standards of care to be provided by the various vendor groups and other standards and rules and regulations as may be necessary to carry out the provisions of this chapter. Such rules, regulations and standards prescribed shall be submitted to the assistant director for his consideration. If approved by the director they shall be filed with the secretary of state and shall become effective thirty days thereafter.

Prescribing rules, regulations and standards of care.

The committee shall further advise the division of medical care on policies and rules and regulations governing the administration of the program.

Rules governing administration of program.

SEC. 15. The department shall biennially provide the committee, the governor and the legislature with a full statistical and financial analysis of the program which shall set forth the amount of service provided, utilization and expenditures by groups served, and

Statistical and financial analysis reports on program.

kind of services provided and other pertinent information.

Personnel under merit system.

SEC. 16. All personnel employed in the administration of the medical care program shall be covered by the existing merit system under the state personnel board or its successor.

Submission of charges for services.

Time limitation.

SEC. 17. Each vendor or group who has a contract and is rendering service to eligible persons as defined in this chapter shall submit such charges as agreed upon between the division of medical care and the individual or group on a monthly basis and shall present their final charges not more than sixty days after the termination of service. If the final charges are not presented within the sixty day period they shall not be a charge against the state unless previous extension in writing has been given by the division of medical care.

Authorization to set up medical prepayment revolving funds.

The department is authorized to set up a medical prepayments revolving fund, or funds, to be used solely for the payment of medical care. Deposits into this fund or these funds shall be made from the appropriation for medical care. Such deposits shall be based upon a per capita amount per beneficiary, said amounts to be determined by the department from time to time. The department may set up such fund or funds to cover any one, several, or all items of the medical care costs of one, several, or all public assistance programs as deemed most advantageous by the director for the best interests of the state: *Provided*, That in the event such fund, or funds is, or are dissolved, the federal government shall be reimbursed for its proportionate share of contributions into such fund or funds.

Upon dissolution of funds federal government reimbursed for its share.

Records available to state welfare medical care committee.

SEC. 18. All of the records and reports of the department of public assistance relative to the administration of the program covered by this chapter shall be available to the state welfare medical care

committee, subject to all restrictions of confidentiality of RCW 74.04.060.

SEC. 19. The provisions of this act shall not apply to recipients whose personal injuries are occasioned by negligence or wrong of another: *Provided, however,* That the director of the department of public assistance may, in his discretion, furnish assistance, under the provisions of this act, for the results of injuries to a recipient, and the department of public assistance shall thereby be subrogated to the recipient's right of recovery therefor to the extent of the value of the assistance furnished by the department of public assistance.

Act's provisions no application.

Assistance at director's discretion; right of subrogation.

SEC. 20. Chapter 5, Laws of 1953, first extraordinary session, and RCW 74.08.390 through 74.08.520 are hereby repealed.

Repeal.

SEC. 21. Section 6, chapter 174, Laws of 1953; section 6, chapter 216, Laws of 1939; and RCW 74.04.050 are each repealed and reenacted to read as follows:

Repeal and reenactment.

The department shall serve as the single state agency to administer public assistance. The department is hereby empowered and authorized to cooperate in the administration of such federal laws, consistent with the public assistance laws of this state, as may be necessary to qualify for federal funds for:

Single agency to administer public assistance.

Cooperate in administration of federal laws to qualify for federal funds.

- (1) Old age assistance;
- (2) Aid to dependent children;
- (3) Aid to the needy blind;
- (4) Child welfare services;
- (5) Aid to permanently and totally disabled;
- (6) Programs of public assistance which are authorized by chapters 74.04 through 74.16 RCW, for which provision for federal aid may from time to time be made.

The state hereby accepts and assents to all the present provisions of the federal law under which

Assent to present provisions of federal law.

grants-in-aid are extended to the state to aid in the support of programs administered by the department, and to such additional legislation as may subsequently be enacted as is not inconsistent with the purposes of chapter 74.04 through 74.16 RCW, authorizing public welfare and assistance activities. The provisions of chapter 74.04 through 74.16 RCW shall be so administered as to conform with federal requirements with respect to eligibility for the receipt of federal grants.

Application for federal funds.

The department shall periodically make application for federal funds and submit such plans, reports and data, as are required by any act of Congress as a condition precedent to the receipt of federal matching funds for such assistance. The department shall make and enforce such rules and regulations as shall be necessary to insure compliance with the terms and conditions of such federal aid grants. In the event of noncompliance with any such rules and regulations, the department shall take over the administration of public assistance programs in any county or counties involved until compliance shall have been effected during which time the department may authorize and approve the expenditure of all public assistance funds within the county.

Department power in event of noncompliance of counties.

SEC. 22. All the provisions of Title 74 RCW, not otherwise inconsistent herewith, shall apply to the provisions of this act.

Limitation on director in respect to recipients.

SEC. 23. Nothing in this act shall be construed as empowering the director to compel any recipient of public assistance and a medical indigent person to undergo any physical examination, surgical operation, or accept any form of medical treatment contrary to the wishes of said person who relies on or is treated by prayer or spiritual means in accordance with the creed and tenets of any well-recognized church or religious denomination.

SEC. 24. The effective date of this act shall be Effective date.
July 1, 1955.

Passed the House March 1, 1955.

Passed the Senate March 8, 1955.

Approved by the Governor March 18, 1955.

CHAPTER 274.

[S. B. 221.]

STATE TEACHERS' RETIREMENT SYSTEM.

AN Act relating to the Washington State Teachers' Retirement System and amending sections 1, 3, 16, 17, 18, 19, 20, 24, 26, 28 through 36, 39, 41, 43, 48 through 57, chapter 80, Laws of 1947 and RCW 41.32.010, 41.32.030, 41.32.160 through 41.32.200, 41.32.240, 41.32.260, 41.32.280, through 41.32.360, 41.32.390, 41.32.410, 41.32.430, 41.32.480, 41.32.490, 41.32.500 through 41.32.570.

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

SECTION 1. Section 1, chapter 80, Laws of 1947 Amendment.
and RCW 41.32.010 are each amended to read as follows:

As used in this chapter, unless a different meaning is plainly required by the context:

(1) "Accumulated contributions" means the sum of all regular annuity contributions together with regular interest thereon less cost of operation. "Accumulated contributions" defined.

(2) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of such mortality tables and regulations as shall be adopted by the board of trustees and regular interest. "Actuarial equivalent" defined.

(3) "Annuity" means the moneys payable per year during life by reason of accumulated contributions of a member. "Annuity" defined.

(4) "Annuity fund" means the fund in which all of the accumulated contributions of members are held. "Annuity fund" defined.