

**Testimony**  
**House Bill 1040 – Department of Human Services**  
**Senate Human Services Committee**  
**Senator Judy Lee, Chairman**  
**March 2, 2011**

Chairman Lee, members of the Human Services Committee, I am LeeAnn Thiel, Administrator of Medicaid Payment and Reimbursement Services of the Medical Services Division for the Department of Human Services.

I am here today in support of HB 1040. The moratorium on nursing facility beds and basic care beds has been in place since 1995 and has been extended each biennium. This bill would continue the moratorium through July 31, 2013.

Currently, there are two exceptions to the Basic Care Bed Moratorium, which are: (1) a nursing facility may convert bed capacity to basic care beds; and (2) an entity can demonstrate the need to the Department of Health and the Department of Human Services. To demonstrate a need, the facility must show that occupancy within a 50-mile radius at existing basic care facilities is at or above 90 percent.

The Department's 2011-2013 Budget was built based on the moratorium continuing.

I would be happy to address any questions that you may have.