
Health Care & Wellness Committee

2SSB 5945

Brief Description: Creating the Washington health partnership plan.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Keiser, Franklin and Kohl-Welles).

Brief Summary of Second Substitute Bill

- Creates a Washington health partnership consisting of representatives of the Department of Social and Health Services (DSHS), Health Care Authority, Office of Financial Management, and health committees of the Legislature.
- Directs the DSHS to submit a waiver request to the Department of Health and Human Services (DHHS) to expand and revise the medical assistance program to cover adults below 200 percent of the federal poverty level in an Apple Health Program for Adults.
- Directs the Department of Health to maximize the use of federal funds to continue providing immunizations for children whose household income is less than 300 percent of the federal poverty level, and who are ineligible for Medicaid.
- Directs the DSHS to submit waiver requests to the DHHS to:
 - (1) allow Title XXI children to participate in the department's employer-sponsored coverage program; and
 - (2) continue coverage for sexually transmitted disease testing and treatment and return to the eligibility standards used in 2005 related to citizenship determination, insurance eligibility, and confidential service for minors and survivors of domestic violence and sexual violence.

Hearing Date: 3/20/09

Staff: Dave Knutson (786-7146)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background:

The 2008 Legislature passed ESSB 6333 calling for an analysis of five health care reform proposals, including the Washington Health Partnership (Partnership) as outlined in legislation. The Legislature contracted with Mathematica Policy Research, Inc., (Mathematica) to model the coverage and economic impacts of each proposal, and they presented their initial analysis to the Legislature in January 2009.

The Department of Social and Health Services (DSHS) and the Health Recovery Services Administration administer the state's medical assistance programs which include Medicaid and the State Children's Health Insurance Programs (SCHIP). The federal programs are established in the Social Security Act under Titles XIX and XXI, respectively. In general, the Medicaid program has categorical eligibility that focuses on low-income children, low-income families, or low-income individuals that meet the aged, blind, or disabled definitions.

Although state law has realigned the medical assistance programs for children as one unified program under Apple Health Program for Kids, specific programmatic functions remain separately outlined in federal Medicaid and SCHIP law, with some variations. For example, Title XIX Medicaid programs are authorized to participate in Employer-Sponsored Insurance (ESI) programs that "buy" enrollees into their employer coverage when it is cost-effective for the state to do so. To date, the Title XXI SCHIP program has not been included in the ESI option, nor have the SCHIP children been included in the federal Vaccines for Children program that largely finances the vaccines for all Medicaid children.

Summary of Bill:

The Partnership is established as a working group to focus on health reform goals that reflect the Blue Ribbon Commission goal of establishing access to affordable, comprehensive health care services for every resident by 2012. Goals for the Partnership efforts include implementation of health reform in phases that include extending coverage to individuals below 200 percent of the federal poverty level in the Apple Health Program for Adults; consolidating purchasing of health coverage and streamlining administration; and examining the health reform proposals studied by Mathematica and selecting one, or a combination, for consideration.

Representatives of the DSHS, the Health Care Authority, the Office of Financial Management (OFM), and the Legislative health committees must participate in the efforts to develop a proposal to the federal government to expand and revise the public medical coverage through Medicaid; extending coverage to low-income individuals with family income below 200 percent of the federal poverty level. The OFM, working with the Partnership, is required to review the Mathematica research study and identify the proposals predicted to significantly lower overall costs and cover the largest percentage of uninsured individuals, offer recommendations for consolidating state purchasing of health care, make recommendations on a proposal to be considered for legislative action, and work with the Congressional delegation to seek federal flexibility to implement a health reform proposal.

The Partnership is directed to maximize federal funds for vaccines for low-income children and family planning services. The Department of Health, in collaboration with DSHS, must maximize the use of existing federal funds, as well as potential additional funds from the federal

economic stimulus package, to continue to provide vaccines for non-Medicaid eligible children under 300 percent of the federal poverty level.

The DSHS must request authority to maximize employer-sponsored insurance for the SCHIP-eligible children. The DSHS must seek modifications to the family planning waiver that return to eligibility standards used in 2005 and, within funds provided for this purpose, expand access to up to 250 percent of the federal poverty level.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.