



RULE-MAKING ORDER
(RCW 34.05.360)

CR-103 (7/23/95)

Agency:
Health Care Authority

- Permanent Rule
- Emergency Rule
- Expedited Repeal

(1) Date of adoption: May 16, 1996

(2) Purpose: Rule is designed to carry out the purposes of chapter 70.47 RCW, the Health Care Access Act.

(3) Citation of existing rules affected by this order:
Repealed:
Amended: 55-01-010, 020, 030, 040, 050, 060, 070
Suspended:

(4) Statutory authority for adoption: 70-47-050
Other authority:

PERMANENT RULE ONLY
Adopted under notice filed as WSR _____ on _____ (date).
Describe any changes other than editing from proposed to adopted version:

EMERGENCY RULE ONLY
Under RCW 34.05.350 the agency for good cause finds:
 (a) That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
 (b) That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.
Reasons for this finding:
To accommodate revisions in the provisions for Medicaid/Basic Health Plan eligibility coordination in the Health Services Act, E2SSB 5304.

EXPEDITED REPEAL ONLY
Under Preproposal Statement of Inquiry filed as WSR _____ on _____ (date).

(5.3) Any other findings required by other provisions of law as precondition to adoption of effectiveness of rule?
 Yes No If Yes, explain:

(6) Effective date of rule:
Permanent Rules **Emergency Rules**
 31 days after filing Immediately
 Other (specify) _____* Later (specify) _____
*(If less than 31 days after filing, specific finding in 5.3 under RCW 34.05.380(3) is required)

CODE REVISER USE ONLY
CODE REVISER'S OFFICE
STATE OF WASHINGTON
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WSR 96-11-097

NAME (TYPE OR PRINT)
Elin Meyer
SIGNATURE
[Signature]
TITLE
Rules Coordinator
DATE
5/16/96

AMENDATORY SECTION (Amending
WSR 92-14-088, filed 6/30/92, effective 7/31/92)

WAC 55-01-010 Definitions. The following definitions apply throughout these rules.

(1) "Administrator" means the ~~((Washington basic health plan))~~ administrator of the Washington state health care authority (HCA) or designee.

~~((2))~~ "Certificate of coverage" means a written document issued by the plan to a subscriber which describes the covered services, premiums, grievance procedures and other rights and responsibilities of enrollees. The certificate of coverage issued to a subscriber shall pertain to the subscriber and family dependents.)

(2) "Appeal procedure" means a written procedure for resolution of problems or concerns raised by enrollees.

(3) "Basic health plan" (BHP) means the system of enrollment and payment on a prepaid capitated basis for basic health care services, administered by the HCA administrator through managed health care systems, created by chapter 70.47 RCW. The Washington state basic health plan is a program within the Washington state health care authority.

~~((3))~~ (4) "Copayment" means a payment indicated in the schedule of benefits which is made by an enrollee to a managed health care system, ~~((or health care provider, or to the plan, when specifically instructed to do so by the plan, for covered services provided to the enrollee.))~~

~~((4))~~ (5) "Covered services" means those services and benefits to which an enrollee is entitled, under the ~~((certificate of coverage))~~ benefit booklet issued by the ~~((plan))~~ HCA to the enrollee (or to a subscriber on behalf of the enrollee), in exchange for payment of premium and applicable copayments.

~~((5))~~ "Dependent child" means an individual's unmarried natural child, stepchild, or legally adopted child, who is either (a) younger than age nineteen, or (b) younger than age twenty-three and (i) is a full-time student at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on, or (ii) is pursuing a full-time course of institutional on-farm training under the supervision of an educational organization described in WAC 55-01-010 (5)(b)(i).))

(6) "Effective date of enrollment" means the first date, as established by the ~~((plan))~~ HCA, on which an enrollee is entitled to receive covered services from the enrollee's respective

participating managed health care system.

(7) "Eligible dependents." The following are eligible as dependents under the BHP:

(a) Lawful spouse of the subscriber, if not legally separated, who resides in the same residence.

(b) Dependent child who is an unmarried child and who is:

(i) Younger than age nineteen and is a natural child, stepchild or legally adopted child.

(ii) Younger than age twenty-three who is a registered student in full-time attendance at an accredited secondary school, college, university, vocational school, or school of nursing. Dependent student eligibility continues year-round for those who attend three of the four school quarters and for the quarter following graduation provided the subscriber is covered at the same time; the dependent limiting age has not been exceeded; and the dependent meets all other eligibility requirements.

(iii) Legal dependent of any age who is incapable of self-support due to developmental disability or physical handicap.

(8) "Employee" means one who is in the employment of an employer, as defined by RCW 50.04.080.

~~((7))~~ (9) "Enrollee" means a person who meets all eligibility requirements, who is enrolled in the ((plan))BHP, and for whom applicable premium payments have been made.

~~((8))~~ (10) "Family" means an individual or an individual and the individual's ((spouse, if not legally separated, and the individual's dependent children))eligible dependents. For purposes of eligibility determination and enrollment in the ((plan))BHP, an individual, or dependent cannot be a member of more than one family.

~~((9))~~ "Family dependent" means a subscriber's legal spouse, if not legally separated, or the subscriber's dependent child, who meets all eligibility requirements, is enrolled in the plan, and for whom the applicable premium has been paid.

(11) "Financial sponsor" means a person, employer or other entity that is responsible for payment of all or a designated portion of the monthly premiums on behalf of a subscriber and any family dependents.

~~((10))~~ "Grievance procedure" means the formal process for resolution of problems or concerns raised by enrollees which cannot be resolved in an informal manner to the enrollee's satisfaction. "Grievance" means a problem or concern presented for resolution through a grievance procedure.)

~~((11))~~ (12) "Gross family income" means ((the total income of all members of an enrollee's family, regardless of whether those family members enroll in the plan.

(a) For purposes of this definition, for applications for enrollment which are received by the plan on or before March 31, 1989, "income" includes but is not limited to wages and salaries, net income from rentals or self-employment, tips, interest income, dividends, royalties, public or private pensions, and Social

Security benefits.

~~((b))~~ For purposes of this definition, for applications for enrollment which are received by the plan on or after April 1, 1989 and for premium payments which are made for coverage on or after June 1, 1989, "income" means)) total cash receipts of the subscriber and eligible dependents before taxes from all sources, with the exceptions noted in (b) below.

~~((i))~~ (a) Income includes: (i) money wages and salaries before any deductions regardless of whether those eligible dependents enroll in BHP; (ii) net receipts from nonfarm self-employment (receipts from a person's own unincorporated business, professional enterprise, or partnership, after deductions for business expenses); (iii) net receipts from farm self-employment (receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses); (iv) regular payments from Social Security, child support, railroad retirement, unemployment compensation, strike benefits from union funds, workers' compensation, veterans' payments, public assistance ~~((including aid to families with dependent children, supplemental security income, emergency assistance money payments, and non federally funded general assistance or general relief money payments), and training stipends; alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private pensions, government employee pensions))~~ (including military retirement pay), and regular insurance or annuity payments; college or university scholarships, grants, fellowships and assistantships, if received as or convertible by the recipient into cash; (v) work study; and (vi) dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

~~((ii))~~ (b) Income does not include the following types of money received: (i) Capital gains; (ii) any assets drawn down as withdrawals from a bank, the sale of property, a house or a car; (iii) tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments, or compensation for injury (except workers' compensation) ~~((Also excluded are))~~; (iv) noncash benefits, such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits, food or housing received in lieu of wages, the value of food and fuel produced and consumed on farms, the imputed value of rent from owner-occupied nonfarm or farm housing, and such federal noncash benefit programs as Medicare, Medicaid, food stamps, school lunches, and housing assistance ~~((-))~~; (v) ~~((e) "Income" shall not include))~~ income earned by dependent children except for regular payments from Social Security, nor shall it include income of a family member who resides in another household when such income is not available to ~~((those family members))~~ the subscriber and eligible dependents seeking enrollment in the ((plan))BHP; and (vi) university scholarships, grants, fellowships and assistantships if not

convertible to cash.

~~((d))~~ In the event that an item of income is received periodically, but less frequently than once per month, the latest amount received will be divided by the number of months in the period (i.e., between payments) in order to calculate an average amount per month. That monthly average will be combined with other monthly items of income to derive a monthly total, which will be used in the calculation of income as a percentage of federal poverty level. (For example, if an applicant receives quarterly interest payments in January, April, July, and October, and applies for coverage by the plan in September, the July payment will be divided by three to obtain a monthly income amount.)

~~((12))~~ (13) "Managed health care system" (or "MHCS") means any health care organization who has entered into a contract with the HCA to provide the BHP to enrollees, including health care providers, insurers, health care service contractors, health maintenance organizations, or any combination thereof, that provides directly or by contract basic health care services, as defined by the administrator and rendered by duly licensed providers, on a prepaid capitated basis to~~((a defined patient population enrolled in the plan and in the managed health care system))~~ enrollees. On and after July 1, 1995, "MHCS" means a certified health plan as defined in RCW 43-72-010.

(14) "Medicaid" means the Title XIX Medicaid program. This medical care program is administered by the Medical Assistance Administration to the "categorically needy" as defined in chapters 388-82 and 388-92 WAC and to those defined as "medically needy" under WAC 388-80-005(45).

~~((13))~~ (15) "Medicare" means programs established by Title XVIII of Public Law 89-97, as amended, "Health Insurance for the Aged and Disabled."

(16) "Benefit booklet" means a written document issued by the HCA to a subscriber which describes the covered services, premiums, appeal procedures and other rights and responsibilities of enrollees. The benefit booklet represents the enrollee's certificate of coverage. The benefit booklet issued to a subscriber shall apply to the subscriber and enrolled dependents.

(17) "Nonsubsidized enrollee" means an enrollee who pays, or on whose behalf is paid (excluding Medicaid recipients or those enrollees who are eligible to receive Medicaid benefits), the full costs for participation in BHP, including administrative costs, without any subsidy from BHP.

~~((14))~~ (18) "Open enrollment" means a time period designated by the administrator during which enrollees may apply to transfer their~~((membership))~~ enrollment from one participating managed health care system to another. ((There shall be at least one open enrollment period of at least twenty consecutive days, at least once annually, in each site served by the plan.))

~~((15))~~ "Participating," when referring to a managed health care system, means one that has entered into a contract with the plan to provide covered services to enrollees. When referring to

~~a health care provider, "participating" means one who is employed by or has entered into a contract with a participating managed health care system to provide covered services to enrollees.~~

~~((16)) (19) "Premium" means a periodic payment, based upon gross family income and determined under RCW 70.47.060(2), which a subscriber or financial sponsor makes to the ((plan))HCA on behalf of the subscriber and ((family))eligible dependents in consideration for enrollment in the ((plan))BHP.~~

~~((17) "Provider" or "health care provider" means a health care professional or institution duly licensed and accredited to provide covered services in the state of Washington.)~~

~~((18)) (20) "Rate" means the per capita amount, including any applicable premium and prepayment tax imposed under RCW 48.14.020, negotiated by the administrator with and paid to a ((participating)) managed health care system, ((that is based upon the enrollment of enrollees in the plan and in that MHCS)) to provide the schedule of benefits described in the benefit booklet to enrollees.~~

~~(21) "Residence" means the one principal physical location at which an individual lives.~~

~~((19) "Schedule of benefits" means the basic health care services adopted and from time to time amended by the administrator, which enrollees shall be entitled to receive from participating managed health care systems.)~~

~~((20)) (22) "Service area" means the geographic area served by a ((participating)) managed health care system as defined in its contract with the ((plan))HCA.~~

~~((21)) (23) "Site" means a geographic area designated by the ((plan))HCA in which one or more ((participating)) managed health care systems are offered to enrollees for selection.~~

~~((22)) (24) "Subscriber" is a person who meets all applicable eligibility requirements, is enrolled in the BHP, and for whom the monthly premium has been paid. Notices (with the exception of disenrollment notices) to a subscriber, or if applicable to a financial sponsor, shall be considered notice to the subscriber and his/her enrolled dependents. Disenrollment notices will be sent to the subscriber, or the parent or legal guardian of an enrolled dependent child. ((means an enrollee, or the parent or legal guardian of an enrolled dependent child, who has been designated by the plan as the individual to whom the plan and the managed health care system will issue all notices, information requests and premium bills on behalf of all enrolled family members. For purposes of chapter 55-01 WAC, notice to a subscriber shall be considered notice to all enrolled members of the subscriber's family as well.~~

~~((23) "Subsidy" means the difference between the rate paid by the administrator to a managed health care system on behalf of an enrollee and the enrollee's premium responsibility.~~

~~(25) "Subsidized enrollee" means an enrollee whose gross family income does not exceed twice the federal poverty level as adjusted for family size and determined annually by the U.S.~~

Department of Health and Human Services, for whom funds are available to provide a partial subsidy of the premium according to a premium schedule adopted by the administrator. Medicaid recipients who are enrolled in managed health care systems through the BHP are also considered by the HCA and the department of social and health services to be "subsidized" enrollees.

(26) "Subsidy" means the difference between the premium responsibility of a subsidized enrollee, who is not a Medicaid recipient, and the costs incurred by the HCA in providing coverage to that subsidized enrollee. The costs incurred include both the rate paid by the HCA to a managed health care system on behalf of the enrollee and that portion of the administrative cost of providing the BHP allocated by the administrator to that enrollee.

~~((24) "Washington basic health plan" or "plan" means the system of enrollment and payment on a prepaid capitated basis for basic health care services, administered by the plan administrator through participating managed health care systems, created by chapter 70.47 RCW.))~~

AMENDATORY SECTION (Amending WSR 92-14-097, filed 6/30/92, effective 7/31/92)

WAC 55-01-020 Schedule of benefits. (1) The administrator shall design and from time to time may revise a schedule of benefits which shall include such physician services, inpatient and outpatient hospital services, prescription drugs and medications, proven preventive and primary care services, all services necessary for prenatal, postnatal and well-child care, and other services as determined by the administrator to be necessary for basic health care and which enrollees shall receive in return for premium payments to the ~~((plan))~~HCA and payment of required copayments. The schedule of benefits is subject to copayments, limitations and exclusions detailed in the benefit booklet. ~~((However, for the period beginning July 1, 1992, and ending June 30, 1993, the schedule of benefits shall not include prenatal or postnatal services for enrollees who are eligible for coverage under the medical assistance program under chapter 74.09 RCW, except to the extent that such services are necessary over not more than a one-month period in order to maintain continuity of care after diagnosis of pregnancy by the managed care provider, or except to provide any such services associated with pregnancies diagnosed by the managed care provider before July 1, 1992. The schedule of benefits may include copayments, limitations and exclusions which the administrator determines are appropriate and consistent with the goals and objectives of the plan.~~

~~(2) In designing and revising the schedule of benefits, the administrator will consider the effects of particular benefits, copayments, limitations and exclusions on access to necessary basic health care services, as well as the cost to the enrollees and to~~

~~the state, and will also consider generally accepted practices of the health insurance and managed health care industries.)~~

~~((3)) (2) Prior to enrolling in the ((plan))BHP, each applicant will be given a complete written description of covered benefits, including all copayments, limitations and exclusions. Enrollees will also be given information on the services providers, facilities, hours of operation, and other information descriptive of the managed health care system(s) available to enrollees in a given site.~~

~~((4)) (3) Subscribers will be given written notice by the ((plan))HCA of any ((planned revisions to the benefit package and the accompanying premiums,)) changes in the amount and scope of benefits provided under the BHP. Such notice ((to)) will be mailed at least thirty days prior to the due date of the premium payment for the month in which such revisions are to take effect. ((For purposes of this provision, notice shall be deemed complete upon depositing the written revisions in the United States mail, first class postage paid, directed to the enrollee at the enrollee's last mailing address on file with the plan. The administrator will make available a separate schedule of benefits for children, eighteen years of age and younger, for those who choose to enroll only their dependent children in the plan.))~~

AMENDATORY SECTION (Amending WSR 92-14-088, filed 6/30/92, effective 7/31/92)

WAC 55-01-030 Premiums and copayments. (1) ~~((Each))~~ Subscribers shall be responsible for paying a monthly premium to the ((plan))HCA, on behalf of the subscriber and all ((family)) enrolled dependents((, according to a premium schedule to be provided by the plan at the time the subscriber is enrolled by the plan)). A third party may, with the approval of the administrator, become a financial sponsor and pay all or a designated portion of the premium on behalf of any enrollee.

(2) Any co-payments required will be established initially in the contract between the HCA and the MHCS and will be detailed in the benefit booklet. Premiums are based on the subscriber's gross family income, the total number of people in the family, and the age of each enrollee. The benefit booklet shall specify the terms of payment and notice requirement for changes in the premium. ((The amount of premium payable by any subscriber will be based upon the subscriber's gross family income and rates payable to participating managed health care systems, and may vary with the number and ages of individuals enrolled from a given family. A third party may, with the approval of the administrator and through a mechanism

acceptable to the administrator, pay the premium on behalf of any enrollee. Premium amounts payable shall be a monthly dollar payment or a percentage of the total rate payable by the plan. A statement of the monthly amount due will be mailed to the subscriber upon determination of eligibility for the plan.

(2) Based on the information provided by an enrollee on the application for enrollment, and any other information obtained by the plan, the enrollee will be informed of the premium amount due. The plan will notify subscribers in writing of any revisions to the premium schedule or to the premium amounts payable to the plan, such notice to be mailed at least thirty days prior to the due date of the premium payment for the month in which such revisions are to take effect, except that retroactive enrollment of a newborn or newly adopted child (as provided in WAC 55-01-050(6)) may result in a corresponding retroactive increase in premium payable to the plan. For purposes of this provision, notice shall be deemed complete upon depositing the written revisions in the United States mail, first class postage paid, directed to the enrollee at the enrollee's last mailing address on file with the plan.

(3) Once the plan has determined that a subscriber and members of the subscriber's family (if any) are eligible for enrollment, the plan will bill the subscriber for the family's first month's premium. The subscriber and family members will not be eligible to receive covered services on the effective date of enrollment specified by the plan unless the premium bill is paid in full by the due date specified on the bill. Thereafter, the plan will bill each subscriber monthly, and the subscriber shall be responsible for payment of the billed amount in full by the date specified on the bill.

(4) Premium bills must be paid in full by the date specified on the bill. Payment may be made in person at the plan's administrative office in Olympia, Washington, or by mail to the address specified on the bill. If the plan does not receive payment in full of a premium bill by 5:00 p.m. on the date specified on the bill, the plan shall issue a notice of delinquency to the subscriber, at the subscriber's last address on file with the plan, requiring payment in full by a date not less than ten days from the date of the notice. If full payment is not received by the date specified in the delinquency notice, the subscriber and enrolled family members will be disenrolled effective the first day of the month following the last month for which full premium payment was received by the plan. Partial payment of premiums due will be regarded as nonpayment. The plan may disenroll a subscriber and enrolled family members in the event that the subscriber receives more than two delinquency notices in a twelve-month period.

((5)) (3) Enrollees shall be responsible for paying any required copayment. (directly to the provider of a covered service, unless the enrollee has been instructed by his or her managed health care system or the plan to make payment to another party. Copayments must be paid in full by the enrollee at the time of

~~service-))~~ Failure to pay a required copayment in full at the time of service may result in the denial or rescheduling of that service by the managed health care system. Repeated failure to pay copayments in full on a timely basis may result in disenrollment, as provided in WAC 55-01-060(2).

AMENDATORY SECTION (Amending Order 88-001, filed 12/2/88)

WAC 55-01-040 Eligibility. (1) To be eligible for enrollment in the plan, an individual must:

(a) ~~((Be under age sixty five;~~
~~(b) Not be eligible for medicare;))~~ Not be eligible for medicare;

(b) At the time of enrollment, not have or not have voluntarily relinquished health insurance more comprehensive than that offered by the BHP based upon a determination by the administrator. Factors which may be considered in determining whether insurance is more comprehensive include, but are not limited to, enrollee's current benefit plan and the associated co-pays, co-insurance, deductibles and benefit exclusions;

(c) Reside within the service area of a ~~((participating))~~ managed health care system; and

(d) ((Have a gross family income at the time of enrollment that does not exceed two hundred percent of the federal poverty level as adjusted for family size and determined annually by the Federal Department of Health and Human Services.)) If subsidized and if requested by the administrator, provide proof that a Medicaid eligibility determination has been completed within the last thirty days, including the results of that determination.

Persons not meeting all of these criteria (with the exception of (b)), at the time of initial application, as evidenced by information submitted on the application for enrollment or otherwise obtained by the ((plan))HCA, will not be enrolled. Criterion (b) must be met at the time of enrollment. An enrollee who subsequently fails to meet all of the criteria, or is later determined to have failed to meet all of the criteria at the time of enrollment, will be disenrolled from the ((plan))BHP as provided in WAC 55-01-060((--except that an enrollee whose gross family income exceeds twice the federal poverty level may continue as an enrollee for up to six months, provided all other criteria are met and provided that the enrollee pays a monthly premium equal to the rate stated in the contract between the plan and the participating managed health care system selected by the enrollee)).

(2) To be eligible for subsidized enrollment in the BHP, an individual must have a gross family income that does not exceed two

hundred percent of the federal poverty level as adjusted for family size and determined annually by the U.S. Department of Health and Human Services.

The administrator may require enrollees or prospective enrollees to complete the following eligibility determination process, as further defined under chapter 74.09 RCW (pertaining to eligibility for the Medicaid program), prior to enrollment or continued participation in the BHP.

(a) A prospective or current enrollee shall comply with an HCA request to provide evidence to the administrator that a Medicaid eligibility determination has been completed within the past thirty days and the results of this determination.

(b) The administrator shall ensure that all prospective or current BHP enrollees who are determined to be eligible for Medicaid receive complete information regarding the benefits available through the Medicaid program compared to the benefits they would receive (or are currently receiving) under the BHP.

(c) Failure or refusal on the part of a prospective or current enrollee to comply with a request to complete the Medicaid eligibility determination process may preclude enrollment and may affect continued participation in the BHP subsidy.

~~((2))~~ (3) An individual otherwise eligible for enrollment in the ~~((plan))~~BHP may be denied enrollment if the administrator has determined that acceptance of additional enrollment in a given service area would exceed limits established by the legislature ~~((, would jeopardize the orderly development of the plan in that service area, or would result in an overexpenditure of plan funds))~~ or additional enrollment in a given MHCS would exceed established contract limits, or would result in an overexpenditure of BHP funds, or would jeopardize the orderly development of BHP. In the event that the administrator closes enrollment in a given service area, the ~~((plan))~~HCA will continue to accept applications for enrollment, but will not process those applications for determination of eligibility. The ~~((plan))~~HCA will place the names of applicants on a waiting list in the order in which applications are received, and will so notify the applicants. In the event that enrollment is reopened by the administrator, applicants whose names appear on the waiting list will be notified by the ~~((plan))~~HCA of the opportunity to enroll; provided that the ~~((plan))~~HCA may require new application forms and documentation from applicants on the waiting list, or may contact applicants to verify continued interest in applying, prior to determining their eligibility.

(4) The HCA will accept applications for group enrollment in the BHP from business owners on behalf of themselves and their employees, spouses and dependent children if:

(a) The BHP is the only health plan offered by the business to its eligible employees;

(b) The business owner pays at least fifty percent of the nonsubsidized premium cost of the BHP on behalf of each employee enrolled in the plan; and

(c) The employee is not eligible for medicare.

AMENDATORY SECTION (Amending WSR 92-14-097, filed 6/30/92, effective 7/31/92)

WAC 55-01-050 Enrollment in the plan. (1) Any individual applying for enrollment in the ~~((plan))~~ BHP must complete, sign and submit ~~((the plan's))~~ a BHP application for enrollment. Applications for enrollment of children under the age of eighteen must be signed by the child's parent or legal guardian, who shall also be held responsible ~~((by the plan))~~ for payment of premiums due on behalf of the child. If an applicant is accepted for enrollment, the applicant's signature acknowledges the applicant's obligation to pay the monthly premium in accordance with the terms and conditions identified in the benefit booklet.

(2) Each applicant shall ~~((complete and sign the application for enrollment,))~~ list ~~((ing))~~ those family members to be enrolled and supply ~~((ing))~~ such other information and documentation as required by the ~~((plan))~~ HCA.

(a) Documentation will be required, showing the amount and sources of ~~((applicants'))~~ applicant's year to date income to include ~~((for))~~ the most recent complete calendar month as of the date of application, ~~((Applicants will also be required to submit))~~ and a signed copy of their most recently filed federal income tax form. Acceptable ~~((F))~~ income documentation shall be required for all ~~((income-earning))~~ family members, including those not applying for enrollment, except for family members who reside in another household and whose income is not available to the family seeking enrollment, and dependent children.

(b) Documentation of the applicant's name and physical residence shall also be required. ~~((, displaying the applicant's name and address.))~~

(c) The ~~((plan))~~ HCA may request additional information from applicants for purposes of establishing or verifying eligibility, including Medicaid eligibility in chapter 74.09 RCW, premium responsibility or managed health care system selection.

(d) Submission of incomplete or inaccurate information may delay or prevent an applicant's enrollment in the ~~((plan))~~ BHP. Intentional submission of false information may result in disenrollment of the applicant and all enrolled family members, retroactive to the date upon which coverage began.

(3) Each family applying for enrollment must designate a ~~((participating))~~ managed health care system from which all enrolled family members will receive covered services. All applicants from the same family must receive covered services from the same managed health care system (except in cases where a subscriber, who is paying child support for his/her dependents,

lives in another covered services area). No applicant will be enrolled for whom designation of a (~~(participating)~~) managed health care system has not been made as part of the application for enrollment. The administrator will establish procedures for the selection of managed health care systems, which will include conditions under which an enrollee may change from one managed health care system to another. Such procedures will allow enrollees to change from one managed health care system to another during open enrollment, or otherwise upon showing of good cause for the transfer.

(4) Except as provided in WAC 55-01-040(~~(+2)~~) (3), applications for enrollment will be reviewed by the (~~(plan)~~)HCA within thirty days of receipt and those applicants satisfying the eligibility criteria and who have provided all required information, documentation and premium payments will be notified of their effective date of enrollment.

(5) Eligible applicants will be enrolled in the (~~(plan)~~)BHP in the order in which their completed applications, including all required documentation, have been received by the (~~(plan)~~)HCA, provided that the applicant also remits full payment of the first premium bill to the (~~(plan)~~)HCA by the due date specified by the (~~(plan)~~)HCA.

(6) Not all family members are required to apply for enrollment in the (~~(plan)~~)BHP; however, any family member for whom application for enrollment is not made at the same time that other family members apply may not subsequently enroll as a family dependent until the next open enrollment period available to that family member, unless that family member loses other health coverage. Eligible newborn and newly adopted children may be enrolled effective from the date of birth or physical placement with the adoptive parents for adoption, provided that application for enrollment is submitted to the (~~(plan)~~)HCA within sixty days of the date of birth or such placement for adoption. A newly acquired spouse of an enrollee may apply for enrollment within thirty days of the date of marriage and, if found eligible by the (~~(plan)~~)HCA, will be enrolled on the first of a month following completion of the enrollment process by the (~~(plan)~~)HCA, provided that the addition of the spouse does not otherwise render the family ineligible for coverage by the (~~(plan)~~)HCA.

(7) (~~(Any e)~~)Enrollees who disenroll(s) from the (~~(plan for~~ reasons other than (~~((a) ineligibility due to an increase in gross family income or (b))~~) coverage by another health care benefits program may not reenroll in the plan for a period of twelve months from the effective date of disenrollment. (~~(An enrollee who disenrolls because of ineligibility due to an increase in gross family income may reenroll in the event that gross family income subsequently falls to a level which qualifies the enrollee for eligibility.)~~) An enrollee who disenrolls because of coverage by another health care benefits program may reenroll in the event that the enrollee becomes ineligible for such other coverage, provided that the enrollee has been continuously covered since the date of

~~disenrollment from the plan, and provides documentation of such continuous coverage to the plan. Before any person shall be reenrolled in the plan, that person must~~) BHP due to loss of eligibility may re-enroll provided they complete a new application for enrollment and ((must be))are determined by the ((plan))HCA to be otherwise eligible for enrollment as of the date of application. Enrollees who are disenrolled from BHP in accordance with WAC 55-01-060(2), except for loss of eligibility, and who do not maintain continuous coverage may not re-enroll for a period of twelve months from the effective date of disenrollment. Continuous coverage will be defined as coverage with no lapse greater than 90 days.

(8) The ~~((plan))~~HCA may require any enrollee or applicant for enrollment in the ~~((plan))~~BHP who appears to meet eligibility requirements for medical care under chapter 74.09 RCW to complete the eligibility determination process under chapter 74.09 RCW prior to enrollment or continued participation in the ~~((plan))~~BHP.

(9) Once every six months, the ~~((plan))~~HCA will request verification of information from enrollees ("recertification"), which may include a request to complete a new application form and submit required documentation. For good cause, the HCA may recertify on a more frequent basis. At recertification, enrollees will be required to report their gross family income for the ((most recent complete))preceeding calendar month, ((as of the recertification date specified by the plan, and to provide the same documentation of such income as required of applicants. ((The plan may request information more frequently from an enrollee for the purpose of verifying eligibility if the plan has good cause to believe that the enrollee's income, residence, family size or other eligibility criteria may have changed since the date on which information was last received by the plan. Enrollees shall be given at least twenty days from the date of any such information request to respond to the request. Failure to respond within the time designated in any information request shall result in a second request from the plan.))Failure to respond within the time designated ((in any second request for information))may result in disenrollment of the enrollee. Each enrollee is responsible for notifying the ((plan))HCA within thirty days of any changes which could affect the enrollee's eligibility or premium responsibility. If, as a result of the eligibility review, the administrator determines that a subsidized enrollee's income exceeds twice the federal poverty level and that the enrollee failed to inform the HCA of such increase in income, the administrator may bill the enrollee for the subsidy paid on the enrollee's behalf during the period of time that the enrollee's income exceeded twice the poverty level.

AMENDATORY SECTION (Amending WSR 92-14-097, filed 6/30/92, effective 7/31/92)

WAC 55-01-060 Disenrollment from the ((plan))BHP. (1) An enrollee may disenroll effective the first day of any month by giving the ((plan))HCA at least ten days prior written notice of the intention to disenroll. Reenrollment in the ((plan))BHP shall be subject to the provisions of WAC 55-01-050(7). The administrator shall also establish procedures for notice by an enrollee of a disenrollment decision, including the date upon which disenrollment shall become effective. Nonpayment of premium by an enrollee or financial sponsor, including employer group, shall be considered an indication of the enrollee's or group's intention to disenroll from the ((plan))BHP.

(2) The ((plan))HCA may disenroll any enrollee from the ((plan))BHP for good cause, which shall include: (a) Failure to meet the eligibility requirements set forth in WAC 55-01-040; ~~((loss of eligibility;))~~ (b) nonpayment of premium; (c) repeated failure to pay copayments in full on a timely basis; ~~((failure to provide eligibility information necessary to determine whether the enrollee may be eligible for medical care under chapter 74.09 RCW within thirty days of the date of request by the plan; failure to apply when such application is required by the plan to the department of social and health services for determination of eligibility for medical care under chapter 74.09 RCW within thirty days of the date of request by the plan;))~~ (d) knowingly providing false information; (e) fraud or abuse ~~((including but not limited to serious misconduct));~~ (f) intentional misconduct; and (g) refusal to accept or follow procedures or medical treatment determined by a ~~((participating provider))~~MHCS to be essential to the health of the enrollee, where the managed health care system demonstrates to the satisfaction of the ((plan))HCA that no professionally acceptable alternative form of treatment is available from the managed health care system, and the enrollee has been so advised by the managed health care system. The ((plan))HCA shall provide the enrollee or legal guardian/parent of a child with advance written notice of its intent to disenroll the enrollee. Such notice shall specify an effective date of disenrollment, which shall be at least ten days from the date of the notice, and shall describe the procedures for disenrollment, including the enrollee's right to appeal the disenrollment decision as set forth in WAC 55-01-070. Prior to the effective date specified, if the enrollee submits an an ((grievance))appeal to the ((plan))HCA contesting the disenrollment decision, as provided in WAC 55-01-070(3), disenrollment shall not become effective until the date, if any, established as a result of the ((plan))HCA's ((grievance))appeal procedure, provided that the enrollee otherwise remains eligible and continues to make all premium payments when due; and further provided that the enrollee does not pose a threat of nonconsensual violent, aggressive or sexually aggressive behavior, assault or battery or purposeful damage to or theft of managed health care

system property, or the property of staff or providers, patients or visitors while on the property of the managed health care system or one of its participating providers.

(3) Any ~~((applicant for enrollment))~~ enrollee ~~((in the plan))~~ who ~~((knowingly))~~ provides false information to the ~~((plan))~~ HCA or to a ~~((participating))~~ managed health care system may ~~((be disenrolled by the plan and may))~~ be held financially responsible for any covered services obtained ~~((from))~~ through the ~~((plan))~~ BHP. The administrator may apply other available remedies as well.

AMENDATORY SECTION (Amending Order 88-001, filed 12/2/88)

WAC 55-01-070 ~~((Hearings and grievances. The plan will develop procedures for the expeditious resolution of enrollees' grievances, and will require participating managed health care systems to do the same.))~~

(1) If an enrollee has an grievance pertaining to a managed health care system, the enrollee shall exhaust the managed health care system's grievance procedure prior to requesting consideration of the grievance by the plan. The managed health care system's grievance procedure shall provide for expeditious resolution by managed health care system personnel with authority to require corrective action. There shall be a written reply from the managed health care system stating either the decision and its basis, or the reasons for failure to reach a decision, within thirty days of receipt of the written grievance. An enrollee has the right to request consideration of the grievance by the administrator if the final decision is adverse or if the written reply is not received within thirty days from the date the managed health care system received the written grievance.

(2) If an enrollee has a grievance pertaining to actions of the plan, the enrollee may submit the grievance to the plan for resolution by the plan's grievance procedure. A written description of the plan's grievance procedure will be provided to the enrollee upon enrollment, or at any time upon request. The plan's grievance procedure shall provide for resolution of the grievance within thirty days of receipt of complete information describing the grievance and its basis.

(3) An enrollee who is involuntarily disenrolled by the plan may contest the disenrollment by submitting a grievance to the plan, within ten days of the notice of disenrollment, for resolution by the plan's grievance procedure. The plan shall issue and mail a written decision within thirty days of receiving the grievance.

(4) An individual whose application for enrollment in the plan is denied may contest the denial of enrollment by submitting a grievance to the plan, within ten days of the notice by the plan of such denial, for resolution by the plan's grievance procedure. The plan shall issue and mail a written decision within thirty days of

receiving the grievance.

~~(5) If the plan's decision resulting from its grievance procedure is adverse to an enrollee or applicant, he or she may, within fifteen days of receiving notice of the grievance decision, request a hearing under chapters 34.04 and 34.12 RCW in order to contest the plan's decision.)~~

Appeals and Mediation of grievances. (1) The following decisions by the BHP may be appealed pursuant to this section:

(a) A determination that an applicant for enrollment as a subsidized enrollee is ineligible pursuant to WAC 55-01-040;

(b) A decision to disenroll an enrollee pursuant to WAC 55-01-060.

(2) Appeals under subsection (1) shall be conducted as brief adjudicative proceedings pursuant to RCW 34.05.482 through 34.05.494 and WAC 182-16-060.

(3) Disputes arising between enrollees and the managed health care system in which they are enrolled are considered to be contractual disputes between those parties. The HCA offers a mediation service aimed at resolving those disputes as quickly, efficiently and fairly as possible. Both enrollees and managed health care systems are expected, as a condition of participation in the BHP, to participate fully and cooperatively in this mediation process once invoked by either party to such dispute. In the event the dispute cannot be resolved by mediation, and both enrollee and the managed health care system agree, the HCA will designate a person to act as binding arbitrator of the dispute.