

# HOUSE BILL REPORT

## HB 1120

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**As Reported by House Committee On:**  
Health Care & Wellness

**Title:** An act relating to families with children with disabilities.

**Brief Description:** Providing a health coverage buy-in program for families with children with disabilities.

**Sponsors:** Representatives Cody, Lantz, Green, Ormsby, Schual-Berke, B. Sullivan, Dickerson, Clibborn, Morrell, Kenney, Moeller, Wallace, Santos and Simpson.

**Brief History:**

**Committee Activity:**

Health Care & Wellness: 1/24/07, 2/5/07 [DP].

### Brief Summary of Bill

- The Department of Social and Health Services will offer Medicaid coverage for disabled children in families with household incomes up to 300 percent of the federal poverty level under the Family Opportunity Act option included in the Deficit Reduction Act of 2005.

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### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** Do pass. Signed by 12 members: Representatives Cody, Chair; Morrell, Vice Chair; Hinkle, Ranking Minority Member; Alexander, Assistant Ranking Minority Member; Barlow, Campbell, Condotta, Green, Moeller, Pedersen, Schual-Berke and Seaquist.

**Staff:** Dave Knutson (786-7146).

**Background:**

The Deficit Reduction Act of 2005 offers states the option to expand Medicaid coverage to children with disabilities up to age 18, who would be eligible for Supplemental Security Income disability benefits but for their income or resources. Families with household income up to 300 percent of the federal poverty level (FPL) would be eligible to participate in the program. States may require families to pay monthly premiums based on a sliding scale. If

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parents have employer-provided health plans, they are required to apply for, enroll in, and pay these premiums. The aggregate annual amount of all premiums cannot exceed 5 percent of a family's income below 200 percent of the FPL, and 7.5 percent of a family's income between 200 percent and 300 percent of the FPL.

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**Summary of Bill:**

The Department of Social and Health Services will offer Medicaid coverage for disabled children in families with household incomes up to 300 percent of the federal poverty level under the Family Opportunity Act option included in the Deficit Reduction Act of 2005.

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**Appropriation:** None.

**Fiscal Note:** Requested on January 19, 2007.

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

**Staff Summary of Public Testimony:**

(In support) None.

(Concerns) Reimbursement levels for health care providers in the Medicaid program are so low that many providers refuse to see Medicaid clients. Expanding coverage under the Medicaid program without increasing reimbursement rates will make a bad situation worse.

(Neutral) Funding for this proposal is not included in the Governor's budget request.

(Opposed) None.

**Persons Testifying:** (Concerns) Loren Freeman, Freeman Associates.

(Neutral) Manning Pellanda, Department of Social and Health Services.

**Persons Signed In To Testify But Not Testifying:** None.