

FINAL BILL REPORT

SHB 1312

C 284 L 11
Synopsis as Enacted

Brief Description: Regarding statutory changes needed to implement a waiver to receive federal assistance for certain state purchased public health care programs.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Cody, Jinkins, Green and Kenney).

House Committee on Health Care & Wellness
House Committee on Ways & Means
Senate Committee on Ways & Means

Background:

State Health Care Programs for Low-Income Individuals.

The Basic Health Plan (BHP), Disability Lifeline (DL), and the Alcohol and Drug Addiction Treatment and Support Act program (ADATSA) are three of the largest programs in Washington that provide health care coverage to low-income individuals with state-only funds.

The Health Care Authority (Authority) administers the BHP, which is a health care insurance program that assists enrollees by providing a state subsidy to offset the costs of premiums. Residents of Washington with an income of less than 200 percent of the federal poverty level are eligible for enrollment in the BHP. In addition, the enrollee must not be: (1) eligible for Medicare; (2) institutionalized; or (3) in school on a temporary work visa.

In addition to administering the Medicaid program, the Department of Social and Health Services (Department) administers the medical care services program with state-only funds. Medical care services programs provide medical benefits to individuals enrolled in the DL and ADATSA programs. To be eligible for the DL program, an applicant must meet the same financial criteria that exists for the Temporary Assistance for Needy Families program and be incapacitated from gainful employment because of a physical or mental condition that is expected to last more than 90 days. Enrollees in the DL program may not receive benefits for more than 24 months in a five-year period.

To be eligible for the ADATSA program, an individual must meet financial and incapacity eligibility criteria. The financial eligibility criteria are equivalent to those of the Temporary

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Assistance to Needy Families program. The incapacity eligibility criteria are met if the applicant: (1) has a diagnosed chemical dependency on a psychoactive substance class; (2) has not abstained from alcohol and drug use during the prior 90 days; (3) has not been gainfully employed during the prior 30 days; and (4) is unable to work.

Federal Waiver.

Medicaid is a federal-state program that provides health care services to specified categories of low-income individuals pursuant to federal standards. States may request a waiver from federal requirements for experimental, pilot, or demonstration projects. The 2010 supplemental budget directed the Authority and the Department to seek a waiver from the federal government to support some of the enrollees on the BHP and DL programs. The federal government approved this waiver in January 2011. Under the terms of the waiver, the federal government will provide matching funds to Washington for those enrollees in the BHP, DL, and ADATSA programs whose income is at or below 133 percent of the federal poverty level and who are United States citizens or eligible qualified aliens.

Summary:

Individuals who are eligible for federally financed categorically needy or medically needy medical assistance programs may not enroll in the Basic Health Plan (BHP). The Administrator of the Health Care Authority must identify BHP enrollees who are currently eligible for other coverage and transition them to federally financed medical assistance programs. Applications for enrollment in the BHP must include a Social Security number, if available, for each family member requesting coverage. Applications for the BHP shall also be considered an application for medical assistance.

The Department of Social and Health Services is authorized to suspend new enrollment in medical care services for Disability Lifeline (DL) applicants and establish a waiting list of those who are eligible once there are sufficient funds.

People subject to termination from DL benefits due to time limits remain enrolled in medical care services. People subject to denial of DL benefits due to time limits remain eligible for medical care services.

Technical corrections are made to fix erroneous references.

Votes on Final Passage:

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|--------|----|----|
| House | 57 | 39 |
| Senate | 48 | 0 |

Effective: July 22, 2011