
SUBSTITUTE HOUSE BILL 2226

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Health Care (originally sponsored by Representatives Dyer, Cody, Cooke, Crouse, Sheahan, Clements, Alexander, Wensman, Sehlin, Carlson, Talcott, D. Schmidt, Benson, Regala, Tokuda, Anderson, Wood, Hatfield, Kessler, Blalock, Backlund and Kenney)

Read first time 03/05/97.

1 AN ACT Relating to residency requirements for subsidized enrollees
2 in the basic health plan; and reenacting and amending RCW 70.47.020.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 70.47.020 and 1995 c 266 s 2 and 1995 c 2 s 3 are each
5 reenacted and amended to read as follows:

6 As used in this chapter:

7 (1) "Washington basic health plan" or "plan" means the system of
8 enrollment and payment on a prepaid capitated basis for basic health
9 care services, administered by the plan administrator through
10 participating managed health care systems, created by this chapter.

11 (2) "Administrator" means the Washington basic health plan
12 administrator, who also holds the position of administrator of the
13 Washington state health care authority.

14 (3) "Managed health care system" means any health care
15 organization, including health care providers, insurers, health care
16 service contractors, health maintenance organizations, or any
17 combination thereof, that provides directly or by contract basic health
18 care services, as defined by the administrator and rendered by duly

1 licensed providers, on a prepaid capitated basis to a defined patient
2 population enrolled in the plan and in the managed health care system.

3 (4) "Subsidized enrollee" means an individual, or an individual
4 plus the individual's spouse or dependent children, not eligible for
5 medicare, who (~~resides~~) has resided for at least eleven months in an
6 area of the state served by a managed health care system participating
7 in the plan, whose gross family income at the time of enrollment does
8 not exceed twice the federal poverty level as adjusted for family size
9 and determined annually by the federal department of health and human
10 services, and who chooses to obtain basic health care coverage from a
11 particular managed health care system in return for periodic payments
12 to the plan. The administrator shall exempt seasonal workers, as
13 defined by rule, from the residency requirements of this section.

14 (5) "Nonsubsidized enrollee" means an individual, or an individual
15 plus the individual's spouse or dependent children, not eligible for
16 medicare, who resides in an area of the state served by a managed
17 health care system participating in the plan, and who chooses to obtain
18 basic health care coverage from a particular managed health care
19 system, and who pays or on whose behalf is paid the full costs for
20 participation in the plan, without any subsidy from the plan.

21 (6) "Subsidy" means the difference between the amount of periodic
22 payment the administrator makes to a managed health care system on
23 behalf of a subsidized enrollee plus the administrative cost to the
24 plan of providing the plan to that subsidized enrollee, and the amount
25 determined to be the subsidized enrollee's responsibility under RCW
26 70.47.060(2).

27 (7) "Premium" means a periodic payment, based upon gross family
28 income which an individual, their employer or another financial sponsor
29 makes to the plan as consideration for enrollment in the plan as a
30 subsidized enrollee or a nonsubsidized enrollee.

31 (8) "Rate" means the per capita amount, negotiated by the
32 administrator with and paid to a participating managed health care
33 system, that is based upon the enrollment of subsidized and
34 nonsubsidized enrollees in the plan and in that system.

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