

2 **SSB 5968 - H AMD 0366 ADOPTED 04/25/99**

3 By Representative

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5 On page 1, after line 17, insert the following:

6 "Sec. 2. 1999 c ... (ESSB 5180) s 210 (uncodified) is amended to
7 read as follows:

8 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
9 **PROGRAM**

10	General Fund--State Appropriation (FY 2000) . . .	\$	722,863,000
11	General Fund--State Appropriation (FY 2001) . . .	\$	784,657,000
12	General Fund--Federal Appropriation	\$	((2,345,803,000))
13			<u>2,401,804,000</u>
14	General Fund--Private/Local Appropriation	\$	261,534,000
15	Emergency Medical Services and Trauma Care Systems		
16	Trust Account--State Appropriation	\$	9,200,000
17	Health Services Account--State Appropriation . .	\$	((339,535,000))
18			<u>391,582,000</u>
19	TOTAL APPROPRIATION	\$	((4,463,592,000))
20			<u>4,571,641,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) The department shall continue to make use of the special
24 eligibility category created for children through age 18 and in
25 households with incomes below 200 percent of the federal poverty level
26 made eligible for medicaid as of July 1, 1994.

27 (2) It is the intent of the legislature that Harborview medical
28 center continue to be an economically viable component of the health
29 care system and that the state's financial interest in Harborview
30 medical center be recognized.

31 (3) Funding is provided in this section for the adult dental
32 program for Title XIX categorically eligible and medically needy
33 persons and to provide foot care services by podiatric physicians and
34 surgeons.

1 (4) \$1,647,000 of the general fund--state appropriation for fiscal
2 year 2000 and \$1,672,000 of the general fund--state appropriation for
3 fiscal year 2001 are provided for treatment of low-income kidney
4 dialysis patients.

5 (5) \$80,000 of the general fund--state appropriation for fiscal
6 year 2000, \$80,000 of the general fund--state appropriation for fiscal
7 year 2001, and \$160,000 of the general fund--federal appropriation are
8 provided solely for the prenatal triage clearinghouse to provide access
9 and outreach to reduce infant mortality.

10 (6) The department shall adopt a new formula for distributing funds
11 under the low-income disproportionate share hospital (LI-DSH) program.
12 Under this new formula, (a) the state's Level 1 trauma center shall
13 continue to receive the same amount of LI-DSH payments as in fiscal
14 year 1999; and (b) ~~((in addition to other factors, the amount of a
15 hospital's LI-DSH payment shall be inversely related to its net
16 operating income as a percentage of total expenditures, such that more
17 profitable hospitals receive a relatively smaller payment under the
18 program))~~ a net profitability factor shall be included with other
19 factors to determine LI-DSH payments. The net profitability factor
20 shall inversely relate hospital percent net operating income to payment
21 under the program.

22 (7) The department shall report to the fiscal committees of the
23 legislature by September 15, 1999, and again by December 15, 1999, on
24 (a) actions it has taken and proposes to take to increase the share of
25 medicare part B premium payments upon which it is collecting medicaid
26 matching funds; (b) the percentage of such premium payments for each
27 month of service subsequent to June 1998 which have been paid with
28 unmatched, state-only funds; and (c) why matching funds could not be
29 collected on those payments.

30 (8) The department shall report to the fiscal committees of the
31 legislature by December 1, 1999, and again by October 1, 2000, on the
32 amount which has been recovered from third-party payers as a result of
33 its efforts to improve coordination of benefits on behalf of "basic
34 health plan-plus" enrollees.

35 (9) The department shall report to the health care and fiscal
36 committees of the legislature by December 1, 1999, on options for
37 controlling the growth in medicaid prescription drug expenditures
38 through strategies such as but not limited to volume purchasing,

1 selective contracting, supplemental drug discounts, and improved care
2 coordination for high utilizers.

3 (10) \$3,992,000 of the health services account appropriation and
4 \$7,651,000 of the general fund--federal appropriation are provided
5 solely for health insurance coverage for children with family incomes
6 between 200 percent and 250 percent of the federal poverty level, as
7 provided in Substitute Senate Bill No. 5416 (children's health
8 insurance program). If the bill is not enacted by June 30, 1999, these
9 amounts shall lapse.

10 (11) \$191,000 of the general fund--state appropriation for fiscal
11 year 2000 and \$391,000 of the general fund--state appropriation for
12 fiscal year 2001 are provided solely for implementation of Substitute
13 Senate Bill No. 5587 (patient bill of rights). If the bill is not
14 enacted by June 30, 1999, these amounts shall lapse.

15 (12) Upon approval from the federal health care financing
16 administration, the department shall implement the section 1115 family
17 planning waiver to provide family planning services to persons with
18 family incomes at or below two hundred percent of the federal poverty
19 level.

20 (13) Except in the case of rural hospitals and Harborview medical
21 center, weighted average payments (~~(rates)~~) under the ratio-of-cost-to-
22 charges hospital payment system shall increase by no more than (~~(4.7)~~)
23 175 percent (~~(per year)~~) of the DRI HCFA hospital reimbursement market
24 basket index.

25 (14) From the funds appropriated in this section, the department
26 shall provide chiropractic services for persons qualifying for medical
27 assistance services under chapter 74.09 RCW.

28 (15) In accordance with Substitute Senate Bill No. 5968,
29 \$25,978,000 of the health services account appropriation for fiscal
30 year 2000, \$26,069,000 of the health services account appropriation for
31 fiscal year 2001, and \$56,002,000 of the general fund--federal
32 appropriation, or so much thereof as may be expended without exceeding
33 the medicare upper payment limit, are provided solely for supplemental
34 payments to nursing homes operated by rural public hospital districts.
35 Such payments shall be distributed among the participating rural public
36 hospital districts proportional to the number of days of medicaid-
37 funded nursing home care provided by each district during the preceding
38 calendar year, relative to the total number of such days of care
39 provided by all participating rural public hospital districts. Prior

1 to making any supplemental payments, the department shall first obtain
2 federal approval for such payments under the medicaid state plan. The
3 payments shall further be conditioned upon (a) a contractual commitment
4 by the association of public hospital districts and participating rural
5 public hospital districts to make an intergovernmental transfer to the
6 state treasurer, for deposit into the health services account, equal to
7 at least 82 percent of the supplemental payment amount; and (b) a
8 contractual commitment by the participating districts to not allow
9 expenditures covered by the supplemental payments to be used for
10 medicaid nursing home rate-setting."

11 Correct the title.

EFFECT: Makes two technical corrections to clarify proviso language. Adds a new proviso implementing the provisions of Substitute Senate Bill No. 5968, authorizing supplemental payments for nursing facilities operated by public hospital districts.

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