2SHB 2098 - H AMD **117**
By Representative Hinkle

On page 20, after line 35, insert the following:

"NEW SECTION. **Sec. 22.** The legislature finds that there is a significant disconnect in the state's medicaid program between recipients and those delivering and paying for their care. Medicaid recipients are not empowered to make decisions regarding their own health care needs. Nor are there incentives for medicaid recipients to be prudent purchasers of health care. The legislature further finds that there are a significant number of medicaid recipients who are only temporarily on medicaid and will need to transition to employer- sponsored health insurance or purchase health care in the private market.

The federal deficit reduction act of 2005 allows states to redesign their medicaid programs, creating more flexibility in benefit and cost-sharing designs and giving enrollees more opportunity to decide how they use their health care benefits. Specifically, the deficit reduction act allows for ten states to operate medicaid demonstration programs to test alternative systems to deliver medicaid benefits through a health opportunity account in combination with a high deductible health plan. Washington state should continue to be a leader in health care policy and submit a state plan amendment to the center for medicaid and medicare to be one of the ten states to implement a health opportunity account demonstration program.

NEW SECTION. **Sec. 23.** The department of social and health services shall submit a state plan amendment to the center for medicaid and medicare services to be one of the ten states to operate a medicaid demonstration program to test alternative systems to deliver medicaid benefits through a health opportunity account. The state plan amendment shall be in compliance with

federal deficit reduction act of 2005 and other rules or directives provided by the center for medicaid and medicare services. The state plan amendment shall also identify individuals eligible to receive transitional medical assistance as the target population to participate, on a voluntary basis, in this demonstration project."

Renumber the remaining sections consecutively, correct internal references accordingly, and correct the title.

EFFECT: Directs the Department of Social and Health Services to seek federal approval to establish a voluntary health opportunity account demonstration project.