

HOUSE BILL REPORT

HB 2378

As Reported by House Committee On: Appropriations

Title: An act relating to the caseload forecast council.

Brief Description: Addressing the caseload forecast council.

Sponsors: Representatives Stanford and Chandler; by request of Office of Financial Management.

Brief History:

Committee Activity:

Appropriations: 1/25/16, 2/8/16 [DPS].

Brief Summary of Substitute Bill

- Requires the Caseload Forecast Council (CFC) to forecast the number of non-Medicaid persons expected to enroll in qualified health or dental plans offered by the Health Benefit Exchange (Exchange).
- Requires the CFC to forecast the early achiever quality award and tiered reimbursement, levels 2 through 5, for the Working Connections Child Care, Seasonal Child Care, and Homeless Child Care programs.
- Requires the CFC to prepare the Exchange and early achiever quality award and tiered reimbursement forecasts in time to facilitate development of the Governor's budget for the 2017 Legislative Session.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 29 members: Representatives Dunshee, Chair; Ormsby, Vice Chair; Chandler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Cody, Condotta, Dent, Fitzgibbon, Haler, Hansen, Hudgins, S. Hunt, Jinkins, Kagi, Lytton, MacEwen, Manweller, Pettigrew, Robinson, Sawyer, Senn, Springer, Stokesbary, Sullivan, Tharinger, Van Werven and Walkinshaw.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Minority Report: Do not pass. Signed by 4 members: Representatives Harris, Magendanz, Schmick and Taylor.

Staff: Lily Sobolik (786-7157).

Background:

Caseload Forecast Council.

The Caseload Forecast Council (CFC) is the state agency responsible for preparing caseload forecasts for specific programs. Under guidance of the caseload forecast supervisor, caseload forecasts are prepared three times each year and are submitted to the council for their approval. Caseload forecasts are prepared for the following:

- state correctional institutions;
- state correctional noninstitutional supervision;
- state institutions for juvenile offenders;
- the common school system;
- long-term care;
- medical assistance;
- foster care;
- adoption support;
- Washington College Bound Scholarship Program; and
- Early Childhood Education and Assistance Program.

In addition, as a courtesy, the CFC also prepares caseload forecasts for:

- extended foster care program;
- Working Connections Child Care; and
- Temporary Assistance to Needy Families (TANF).

Health Benefit Exchange.

In 2011 the Health Benefit Exchange (Exchange) was created, pursuant to requirements in the federal Patient Protection and Affordable Care Act of 2010. The Exchange is a public-private partnership, which operates an online venue for people to find, compare, and enroll in Qualified Health Plans or Medicaid, depending on income levels and other eligibility requirements. Qualified Health Plans are insurance plans certified by the Exchange to meet certain federally mandated requirements including provision of essential health benefits and established cost-sharing limits; enrollees may qualify for a tax credit to help pay for coverage.

Early Achiever Quality Award and Tiered Reimbursement.

Early Achievers is the quality rating and improvement system for early care and education programs administered by the Department of Early Learning. The Early Achievers program establishes a common set of expectations and standards that define, measure, and improve the quality of early learning and child care settings. The Early Achievers program offers child care providers training, coaching and incentives to support improvements in the quality of care. Providers are rated, levels 2 through 5, based on evaluations in four areas: (1) child outcomes, (2) learning environment and curriculum, (3) professional development; and (4) family engagement. Ratings determine set tiered reimbursement rates for providers, i.e. providers with a higher rating will receive higher reimbursement. In 2015 the Legislature

passed the Early Start Act which requires all Working Connections Child Care providers serving non-school age children to enroll in the program by August 1, 2016. Tiered reimbursement applies to the following state subsidized child care programs:

- Working Connections Child Care, for families with low-incomes who are working, looking for work, or going to school;
- Seasonal Child Care, for families working seasonally in agriculture; and
- Homeless Child Care, for homeless families while they work, look for work, or access qualified social services.

Summary of Substitute Bill:

The CFC must forecast the number of non-Medicaid persons expected to enroll in qualified health or dental plans offered by the Exchange. The CFC must provide the first of these forecasts in time to facilitate the development of the Governor's budget proposal for the 2017 Legislative Session.

The Exchange must provide to the CFC, at no cost, access to the data, information, and data processing assistance necessary to complete its forecast.

The CFC must forecast the Early Achiever quality award and tiered reimbursement, levels 2 through 5, for the Working Connections Child Care, Seasonal Child Care, and Homeless Child Care programs. The CFC must provide the first of these forecasts in time to facilitate the development of the Governor's budget proposal for the 2017 Legislative Session.

Substitute Bill Compared to Original Bill:

The substitute bill adds a null and void clause, making the bill null and void unless funded in the budget.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) The additional forecasts will improve information available for budget deliberations.

(Opposed) None.

(Other) There are additional questions to be considered regarding this bill, particularly timing and cost. Healthcare rates must be filed by April and carrier assessment timing is critical, and there should be potential challenges with the timing of the forecast. The Exchange may still retain a consultant to provide forecasts.

Persons Testifying: (In support) Scott Merriman, Office of Financial Management.

(Other) Sydney Smith Zavara, Association of Washington Health Care Plans.

Persons Signed In To Testify But Not Testifying: None.