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**SUBSTITUTE SENATE BILL 5142**

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**State of Washington**

**64th Legislature**

**2015 Regular Session**

**By** Senate Health Care (originally sponsored by Senators Becker, Bailey, Rivers, Brown, and Keiser)

READ FIRST TIME 02/10/15.

1 AN ACT Relating to the health benefit exchange aggregation of  
2 funds and collection of data; amending RCW 43.71.030; adding a new  
3 section to chapter 43.71 RCW; creating a new section; and providing  
4 an effective date.

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

6 **Sec. 1.** RCW 43.71.030 and 2012 c 87 s 4 are each amended to read  
7 as follows:

8 (1) The exchange may, consistent with the purposes of this  
9 chapter: (a) Sue and be sued in its own name; (b) make and execute  
10 agreements, contracts, and other instruments, with any public or  
11 private person or entity; (c) employ, contract with, or engage  
12 personnel; (d) pay administrative costs; (e) accept grants,  
13 donations, loans of funds, and contributions in money, services,  
14 materials or otherwise, from the United States or any of its  
15 agencies, from the state of Washington and its agencies or from any  
16 other source, and use or expend those moneys, services, materials, or  
17 other contributions; and (f) (~~aggregate or delegate the aggregation~~  
18 ~~of funds that comprise the premium for a health plan; and (g))~~)  
19 complete other duties necessary to begin open enrollment in qualified  
20 health plans through the exchange beginning October 1, 2013.

1 (2) The board shall develop a methodology to ensure the exchange  
2 is self-sustaining after December 31, 2014. The board shall seek  
3 input from health carriers to develop funding mechanisms that fairly  
4 and equitably apportion among carriers the reasonable administrative  
5 costs and expenses incurred to implement the provisions of this  
6 chapter. The board shall submit its recommendations to the  
7 legislature by December 1, 2012. If the legislature does not enact  
8 legislation during the 2013 regular session to modify or reject the  
9 board's recommendations, the board may proceed with implementation of  
10 the recommendations.

11 (3) The board shall establish policies that permit city and  
12 county governments, Indian tribes, tribal organizations, urban Indian  
13 organizations, private foundations, and other entities to pay  
14 premiums on behalf of qualified individuals.

15 (4) The employees of the exchange may participate in the public  
16 employees' retirement system under chapter 41.40 RCW and the public  
17 employees' benefits board under chapter 41.05 RCW.

18 (5) Qualified employers may access coverage for their employees  
19 through the exchange for small groups under section 1311 of P.L.  
20 111-148 of 2010, as amended. The exchange shall enable any qualified  
21 employer to specify a level of coverage so that any of its employees  
22 may enroll in any qualified health plan offered through the small  
23 group exchange at the specified level of coverage.

24 (6) The exchange shall report its activities and status to the  
25 governor and the legislature as requested, and no less often than  
26 annually.

27 (7) Except for the small business health options program, the  
28 exchange shall not aggregate or delegate the aggregation of funds  
29 that comprise the premium for any enrollee.

30 NEW SECTION. Sec. 2. A new section is added to chapter 43.71  
31 RCW to read as follows:

32 (1) The exchange must capture detailed enrollment and demographic  
33 data for enrollment processed for qualified health plans and medicaid  
34 plans, and post monthly enrollment reports to the web page. Detailed  
35 enrollment information must include the following statewide and  
36 county-level enrollment for qualified health plans and medicaid:  
37 Enrollment by income bands measured by federal poverty level, 0-138%,  
38 138-150%, 150-200%, 200-250%, 250-400%, and above; enrollment by  
39 county, by health plan, and by gender, race, language, and age.

1 (2) The exchange must also provide this detail for reports on  
2 changes that cause medicaid and health benefit exchange plan  
3 enrollees to lose eligibility or move between coverage as follows:

4 (a) Monthly reports that detail the movement of enrollment  
5 between health benefit exchange plans and medicaid based on  
6 contributing factors that can be determined from health benefit  
7 exchange data including pregnancy, family and individual income  
8 changes, and other changes of circumstances.

9 (b) Twice yearly reports, end of second and fourth quarters, that  
10 analyze enrollment changes using survey or additional data, which  
11 must provide information about movement of enrollment between health  
12 benefit exchange plans and medicaid and gaps in coverage based on  
13 contributing factors that include incarceration, issues with  
14 affordability, and offers of employer-sponsored insurance. All survey  
15 and other primary data collection activities used to provide  
16 information must be representative of the Washington state residents  
17 and priority subpopulations (such as county, race/ethnicity, age,  
18 etc.) through the use of appropriate sampling methods.

19 (3) The exchange must ensure the qualified health plans report  
20 data back to the exchange on enrollees that may enter the grace  
21 period as defined in RCW 48.43.039 and P.L. 111-148 of 2010, as  
22 amended.

23 NEW SECTION. **Sec. 3.** (1) The exchange, jointly with the office  
24 of the insurance commissioner and the health care authority, must  
25 monitor the process of moving the payment function out of the  
26 exchange with the goal of promoting a successful transition for  
27 consumers who will use the exchange to enroll in a health plan in the  
28 2016 plan year and beyond.

29 (2) The three agencies identified in subsection (1) of this  
30 section must provide a brief status report to the joint select  
31 committee on health care oversight by June 2015 or at the next  
32 regularly scheduled meeting.

33 NEW SECTION. **Sec. 4.** Sections 1 and 2 of this act take effect  
34 January 1, 2016.

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