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HOUSE BILL 2024

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State of Washington

66th Legislature

2019 Regular Session

By Representatives Robinson and Cody

Read first time 02/13/19. Referred to Committee on Finance.

1 AN ACT Relating to deductions of incentive payments under the  
2 medicaid program established within 42 C.F.R. 438.6(b)(2) and Sec.  
3 1115 medicaid demonstration project number 11-W-00304/0; and amending  
4 RCW 82.04.43395.

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

6 **Sec. 1.** RCW 82.04.43395 and 2018 c 102 s 2 are each amended to  
7 read as follows:

8 (1) An accountable community of health may deduct from the  
9 measure of tax delivery system reform incentive payments distributed  
10 by the Washington state health care authority, as described in Sec.  
11 1115 medicaid demonstration project number 11-W-00304/0, approved by  
12 the centers for medicare and medicaid services in accordance with  
13 Sec. 1115(a) of the social security act.

14 (2) A hospital that is owned by a municipal corporation or  
15 political subdivision, or a hospital that is affiliated with a state  
16 institution, may deduct from the measure of tax either or both of the  
17 following:

18 (a) Incentive payments received through the medicaid quality  
19 improvement program established through 42 C.F.R. 438.6(b)(2), as  
20 existing on the effective date of this section;

1       **(b)** Delivery system reform incentive payments received through  
2 the project described in Sec. 1115 medicaid demonstration project  
3 number 11-W-00304/0, approved by the centers for medicare and  
4 medicaid services in accordance with Sec. 1115(a) of the social  
5 security act.

6       (3) ~~((For the purpose of this section,))~~ Managed care  
7 organizations may deduct from the measure of tax the incentive  
8 payments received for achieving quality performance standards  
9 established through 42 C.F.R. 438.6(b)(2), as existing on the  
10 effective date of this section.

11       (4) The definitions in this subsection apply throughout this  
12 section unless the context clearly requires otherwise.

13       (a) "Accountable community of health" means an entity designated  
14 by the health care authority as a community of health under RCW  
15 41.05.800 and any additional accountable communities of health  
16 authorized by the health care authority as part of ((its federal  
17 innovation waiver)) Sec. 1115 medicaid demonstration project number  
18 11-W-00304/0.

19       (b) "Managed care organization" has the same meaning as provided  
20 in RCW 74.60.010.

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