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**ENGROSSED SENATE BILL 6034**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** Senators Quigley, Winsley, Gaspard, Wood, Deccio, Snyder, Rinehart, Sheldon, Spanel, Loveland, Bauer, Owen, Haugen, Heavey, Franklin, Kohl, Prentice, Fraser, Drew, Wojahn, Rasmussen, McAuliffe, Hargrove, Oke and Sutherland

Read first time 02/27/95. Referred to Committee on Health & Long-Term Care.

1       AN ACT Relating to repeal of the health insurance participation  
2 mandate for individuals and employers; amending RCW 43.72.810;  
3 repealing RCW 43.72.210 and 43.72.220; providing an effective date; and  
4 declaring an emergency.

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

6       **Sec. 1.** RCW 43.72.810 and 1993 c 492 s 474 are each amended to  
7 read as follows:

8       (1) The commission shall determine the state and federal laws that  
9 would need to be repealed, amended, or waived to implement chapter 492,  
10 Laws of 1993, and report its recommendations, with proposed revisions  
11 to the Revised Code of Washington, to the governor, and appropriate  
12 committees of the legislature by July 1, 1994.

13       (2) The governor, in consultation with the commission, shall take  
14 the following steps in an effort to receive waivers or exemptions from  
15 federal statutes necessary to fully implement chapter 492, Laws of 1993  
16 to include, but not be limited to:

17       (a) Negotiate with the United States congress and the federal  
18 department of health and human services, health care financing  
19 administration to obtain a statutory or regulatory waiver of provisions

1 of the medical assistance statute, Title XIX of the federal social  
2 security act that currently constitute barriers to full implementation  
3 of provisions of chapter 492, Laws of 1993 related to access to health  
4 services for low-income residents of Washington state. Such waivers  
5 shall include any waiver needed to require that: (i) Medical  
6 assistance recipients enroll in managed care systems, as defined in  
7 chapter 492, Laws of 1993; and (ii) enrollee point of service, cost-  
8 sharing levels adopted pursuant to RCW 43.72.130 be applied to medical  
9 assistance recipients. In negotiating the waiver, consideration shall  
10 be given to the degree to which supplemental benefits should be offered  
11 to medicaid recipients, if at all. Waived provisions may include and  
12 are not limited to: Categorical eligibility restrictions related to  
13 age, disability, blindness, or family structure; income and resource  
14 limitations tied to financial eligibility requirements of the federal  
15 aid to families with dependent children and supplemental security  
16 income programs; administrative requirements regarding single state  
17 agencies, choice of providers, and fee for service reimbursement; and  
18 other limitations on health services provider payment methods.

19 (b) Negotiate with the United States congress and the federal  
20 department of health and human services, health care financing  
21 administration to obtain a statutory or regulatory waiver of provisions  
22 of the medicare statute, Title XVIII of the federal social security act  
23 that currently constitute barriers to full implementation of provisions  
24 of chapter 492, Laws of 1993 related to access to health services for  
25 elderly and disabled residents of Washington state. Such waivers shall  
26 include any waivers needed to implement managed care programs. Waived  
27 provisions include and are not limited to: Beneficiary cost-sharing  
28 requirements; restrictions on scope of services; and limitations on  
29 health services provider payment methods.

30 (c) Negotiate with the United States congress and the federal  
31 department of health and human services to obtain any statutory or  
32 regulatory waivers of provisions of the United States public health  
33 services act necessary to ensure integration of federally funded  
34 community and migrant health clinics and other health services funded  
35 through the public health services act into the health services system  
36 established pursuant to chapter 492, Laws of 1993. The commission  
37 shall request in the waiver that funds from these sources continue to  
38 be allocated to federally funded community and migrant health clinics

1 to the extent that such clinics' patients are not yet enrolled in  
2 certified health plans.

3 ~~(d) ((Negotiate with the United States congress to obtain a  
4 statutory exemption from provisions of the employee retirement income  
5 security act that limit the state's ability to ensure that all  
6 employees and their dependents in the state comply with the requirement  
7 to enroll in certified health plans, and have their employers  
8 participate in financing their enrollment in such plans.~~

9 (e)) Request that the United States congress amend the internal  
10 revenue code to treat employee premium contributions to plans, such as  
11 the basic health plan or the uniform benefits package offered through  
12 a certified health plan, as fully deductible from adjusted gross  
13 income.

14 (3) On or before December 1, 1995, the commission shall report the  
15 following to the appropriate committees of the legislature:

16 (a) The status of its efforts to obtain the waivers provided in  
17 subsection (2) of this section;

18 (b) If all federal statutory or regulatory waivers necessary to  
19 fully implement chapter 492, Laws of 1993 have not been obtained:

20 (i) The extent to which chapter 492, Laws of 1993 can be  
21 implemented without receipt of all of such waivers; and

22 (ii) Changes in chapter 492, Laws of 1993 necessary to implement a  
23 residency-based health services system using one or a limited number of  
24 sponsors, or an alternative system that will ensure access to care and  
25 control health services costs.

26 NEW SECTION. **Sec. 2.** The following acts or parts of acts are each  
27 repealed:

28 (1) RCW 43.72.210 and 1993 c 492 s 463; and

29 (2) RCW 43.72.220 and 1993 c 494 s 3 & 1993 c 492 s 464.

30 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
31 preservation of the public peace, health, or safety, or support of the  
32 state government and its existing public institutions, and shall take  
33 effect July 1, 1995.

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