

ESHB 2128 - S COMM AMD

By Committee on Health & Long-Term Care

ADOPTED AS AMENDED 04/15/2009

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that substantial
4 progress has been made toward achieving the equally important goals set
5 in 2007 that all children in Washington state have health care coverage
6 by 2010 and that child health outcomes improve. The legislature also
7 finds that continued steps are necessary to reach the goals that all
8 children in Washington state shall have access to the health services
9 they need to be healthy and ready to learn and that key measures of
10 child health outcomes will show year by year improvement. The
11 legislature further finds that reaching these goals is integral to the
12 state's ability to weather the current economic crisis. The recent
13 reauthorization of the federal children's health insurance program
14 provides additional opportunities for the state to reach these goals.
15 In view of these important objectives, the legislature intends that the
16 apple health for kids program be managed actively across
17 administrations in the department of social and health services, and
18 across state and local agencies, with clear accountability for
19 achieving the intended program outcomes. The legislature further
20 intends that the department continue the implementation of the apple
21 health for kids program with a commitment to fully utilizing the new
22 program identity with appropriate materials.

23 **Sec. 2.** RCW 74.09.470 and 2007 c 5 s 2 are each amended to read as
24 follows:

25 (1) Consistent with the goals established in RCW 74.09.402, through
26 the apple health for kids program authorized in this section, the
27 department shall provide affordable health care coverage to children
28 under the age of nineteen who reside in Washington state and whose
29 family income at the time of enrollment is not greater than two hundred

1 fifty percent of the federal poverty level as adjusted for family size
2 and determined annually by the federal department of health and human
3 services, and effective January 1, 2009, and only to the extent that
4 funds are specifically appropriated therefor, to children whose family
5 income is not greater than three hundred percent of the federal poverty
6 level. In administering the program, the department shall take such
7 actions as may be necessary to ensure the receipt of federal financial
8 participation under the medical assistance program, as codified at
9 Title XIX of the federal social security act, the state children's
10 health insurance program, as codified at Title XXI of the federal
11 social security act, and any other federal funding sources that are now
12 available or may become available in the future. The department and
13 the caseload forecast council shall estimate the anticipated caseload
14 and costs of the program established in this section.

15 (2) The department shall accept applications for enrollment for
16 children's health care coverage; establish appropriate minimum-
17 enrollment periods, as may be necessary; and determine eligibility
18 based on current family income. The department shall make eligibility
19 determinations within the time frames for establishing eligibility for
20 children on medical assistance, as defined by RCW 74.09.510. The
21 application and annual renewal processes shall be designed to minimize
22 administrative barriers for applicants and enrolled clients, and to
23 minimize gaps in eligibility for families who are eligible for
24 coverage. If a change in family income results in a change in
25 (~~program eligibility~~) the source of funding for coverage, the
26 department shall transfer the family members to the appropriate
27 (~~programs~~) source of funding and notify the family with respect to
28 any change in premium obligation, without a break in eligibility. The
29 department shall use the same eligibility redetermination and appeals
30 procedures as those provided for children on medical assistance
31 programs. The department shall modify its eligibility renewal
32 procedures to lower the percentage of children failing to annually
33 renew. (~~The department shall report to the appropriate committees of~~
34 ~~the legislature on its progress in this regard by December 2007.~~) The
35 department shall manage its outreach, application, and renewal
36 procedures with the goals of: (a) Achieving year by year improvements
37 in enrollment, enrollment rates, renewals, and renewal rates; (b)
38 maximizing the use of existing program databases to obtain information

1 related to earned and unearned income for purposes of eligibility
2 determination and renewals, including, but not limited to, the basic
3 food program, the child care subsidy program, federal social security
4 administration programs, and the employment security department wage
5 database; (c) streamlining renewal processes to rely primarily upon
6 data matches, online submissions, and telephone interviews; and (d)
7 implementing any other eligibility determination and renewal processes
8 to allow the state to receive an enhanced federal matching rate and
9 additional federal outreach funding available through the federal
10 children's health insurance program reauthorization act of 2009 by
11 January 2010. The department shall advise the governor and the
12 legislature regarding the status of these efforts by September 30,
13 2009. The information provided should include the status of the
14 department's efforts, the anticipated impact of those efforts on
15 enrollment, and the costs associated with that enrollment.

16 (3) To ensure continuity of care and ease of understanding for
17 families and health care providers, and to maximize the efficiency of
18 the program, the amount, scope, and duration of health care services
19 provided to children under this section shall be the same as that
20 provided to children under medical assistance, as defined in RCW
21 74.09.520.

22 (4) The primary mechanism for purchasing health care coverage under
23 this section shall be through contracts with managed health care
24 systems as defined in RCW 74.09.522 (~~((except when utilization patterns~~
25 ~~suggest that fee for service purchasing could produce equally effective~~
26 ~~and cost efficient care))). However, the department shall make every
27 effort within available resources to purchase health care coverage for
28 uninsured children whose families have access to dependent coverage
29 through an employer-sponsored health plan or another source when it is
30 cost-effective for the state to do so, and the purchase is consistent
31 with requirements of Title XIX and Title XXI of the federal social
32 security act. To the extent allowable under federal law, the
33 department shall require families to enroll in available employer-
34 sponsored coverage, as a condition of participating in the program
35 established under (~~(chapter 5, Laws of 2007))~~ this section, when it is
36 cost-effective for the state to do so. Families who enroll in
37 available employer-sponsored coverage under (~~(chapter 5, Laws of 2007))~~~~

1 this section shall be accounted for separately in the annual report
2 required by RCW 74.09.053.

3 (5)(a) To reflect appropriate parental responsibility, the
4 department shall develop and implement a schedule of premiums for
5 children's health care coverage due to the department from families
6 with income greater than two hundred percent of the federal poverty
7 level. For families with income greater than two hundred fifty percent
8 of the federal poverty level, the premiums shall be established in
9 consultation with the senate majority and minority leaders and the
10 speaker and minority leader of the house of representatives. Premiums
11 shall be set at a reasonable level that does not pose a barrier to
12 enrollment. The amount of the premium shall be based upon family
13 income and shall not exceed the premium limitations in Title XXI of the
14 federal social security act. Premiums shall not be imposed on children
15 in households at or below two hundred percent of the federal poverty
16 level as articulated in RCW 74.09.055.

17 (b) Beginning no later than January 1, (~~2009~~) 2010, the
18 department shall offer families whose income is greater than three
19 hundred percent of the federal poverty level the opportunity to
20 purchase health care coverage for their children through the programs
21 administered under this section without (~~a~~) an explicit premium
22 subsidy from the state. The design of the health benefit package
23 offered to these children should provide a benefit package
24 substantially similar to that offered in the apple health for kids
25 program, and may differ with respect to cost-sharing, and other
26 appropriate elements from that provided to children under subsection
27 (3) of this section including, but not limited to, application of
28 preexisting conditions, waiting periods, and other design changes
29 needed to offer affordable coverage. The amount paid by the family
30 shall be in an amount equal to the rate paid by the state to the
31 managed health care system for coverage of the child, including any
32 associated and administrative costs to the state of providing coverage
33 for the child.

34 (6) The department shall undertake and continue a proactive,
35 targeted outreach and education effort with the goal of enrolling
36 children in health coverage and improving the health literacy of youth
37 and parents. The department shall collaborate with the department of
38 health, local public health jurisdictions, the office of (~~the~~) the

1 superintendent of public instruction, the department of early learning,
2 health educators, health care providers, health carriers, community-
3 based organizations, and parents in the design and development of this
4 effort. The outreach and education effort shall include the following
5 components:

6 (a) Broad dissemination of information about the availability of
7 coverage, including media campaigns;

8 (b) Assistance with completing applications, and community-based
9 outreach efforts to help people apply for coverage. Community-based
10 outreach efforts should be targeted to the populations least likely to
11 be covered;

12 (c) Use of existing systems, such as enrollment information from
13 the free and reduced-price lunch program, the department of early
14 learning child care subsidy program, the department of health's women,
15 infants, and children program, and the early childhood education and
16 assistance program, to identify children who may be eligible but not
17 enrolled in coverage;

18 (d) Contracting with community-based organizations and government
19 entities to support community-based outreach efforts to help families
20 apply for coverage. These efforts should be targeted to the
21 populations least likely to be covered. The department shall provide
22 informational materials for use by government entities and community-
23 based organizations in their outreach activities, and should identify
24 any available federal matching funds to support these efforts;

25 (e) Development and dissemination of materials to engage and inform
26 parents and families statewide on issues such as: The benefits of
27 health insurance coverage; the appropriate use of health services,
28 including primary care provided by health care practitioners licensed
29 under chapters 18.71, 18.57, 18.36A, and 18.79 RCW, and emergency
30 services; the value of a medical home, well-child services and
31 immunization, and other preventive health services with linkages to
32 department of health child profile efforts; identifying and managing
33 chronic conditions such as asthma and diabetes; and the value of good
34 nutrition and physical activity;

35 (f) An evaluation of the outreach and education efforts, based upon
36 clear, cost-effective outcome measures that are included in contracts
37 with entities that undertake components of the outreach and education
38 effort;

1 (g) (~~(A feasibility study and)~~) An implementation plan to develop
2 online application capability that is integrated with the department's
3 automated client eligibility system, and to develop data linkages with
4 the office of (~~(the)~~) the superintendent of public instruction for
5 free and reduced-price lunch enrollment information and the department
6 of early learning for child care subsidy program enrollment
7 information. (~~The department shall submit a feasibility study on the~~
8 ~~implementation of the requirements in this subsection to the governor~~
9 ~~and legislature by July 2008.~~)

10 (7) The department shall take action to increase the number of
11 primary care physicians providing dental disease preventive services
12 including oral health screenings, risk assessment, family education,
13 the application of fluoride varnish, and referral to a dentist as
14 needed.

15 (8) The department shall monitor the rates of substitution between
16 private-sector health care coverage and the coverage provided under
17 this section and shall report to appropriate committees of the
18 legislature by December 2010.

19 NEW SECTION. **Sec. 3.** The department must identify, within
20 existing resources, a staff position as the single point of contact and
21 coordination for the apple health for kids program. The position must
22 ensure planning and coordination of all aspects of the apple health for
23 kids program across all the involved agencies and with the various
24 stakeholders, facilitate the collection, reporting, and analysis of the
25 outcome data required in section 4 of this act, and facilitate the
26 collection and reporting of the data required in section 2 of this act.
27 The position must strive to provide transparency and accountability for
28 the apple health for kids program and provide public reporting of the
29 data required in sections 2 and 4 of this act.

30 **Sec. 4.** RCW 74.09.480 and 2007 c 5 s 4 are each amended to read as
31 follows:

32 (1) The department, in collaboration with the department of health,
33 health carriers, local public health jurisdictions, children's health
34 care providers including pediatricians, family practitioners, and
35 pediatric subspecialists, community and migrant health centers,
36 parents, and other purchasers, shall (~~identify explicit performance~~

1 ~~measures that indicate that a child has an established and effective~~
2 ~~medical home, such as))~~ establish a concise set of explicit performance
3 measures that can indicate whether children enrolled in the program are
4 receiving health care through an established and effective medical
5 home, and whether the overall health of enrolled children is improving.
6 Such indicators may include, but are not limited to:

7 (a) Childhood immunization rates;

8 (b) Well child care utilization rates, including the use of
9 behavioral and oral health screening, and validated, structured
10 developmental ((~~assessment tools that include behavioral and oral~~
11 health screening)) screens using tools, that are consistent with
12 nationally accepted pediatric guidelines and recommended administration
13 schedule, once funding is specifically appropriated for this purpose;

14 (c) Care management for children with chronic illnesses;

15 (d) Emergency room utilization; (~~and~~))

16 (e) Visual acuity and eye health;

17 (f) Preventive oral health service utilization; and

18 (g) Children's mental health status. In defining these measures
19 the department shall be guided by the measures provided in RCW
20 71.36.025.

21 Performance measures and targets for each performance measure must
22 be (~~reported to the appropriate committees of the senate and house of~~
23 ~~representatives by December 1, 2007)) established and monitored each
24 biennium, with a goal of achieving measurable, improved health outcomes
25 for the children of Washington state each biennium.~~

26 (2) Beginning in calendar year 2009, targeted provider rate
27 increases shall be linked to quality improvement measures established
28 under this section. The department, in conjunction with those groups
29 identified in subsection (1) of this section, shall develop parameters
30 for determining criteria for increased payment, alternative payment
31 methodologies, or other incentives for those practices and health plans
32 that incorporate evidence-based practice and improve and achieve
33 sustained improvement with respect to the measures (~~in both fee for~~
34 ~~service and managed care)).~~

35 (3) The department shall provide (~~an annual~~) a report to the
36 governor and the legislature related to provider performance on these
37 measures, beginning in September 2010 for 2007 through 2009 and

1 ((annually)) biennially thereafter. The department shall advise the
2 legislature as to its progress towards developing this biennial
3 reporting system by September 30, 2009.

4 NEW SECTION. Sec. 5. This act may be known and cited as the apple
5 health for kids act."

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6 On page 1, line 2 of the title, after "2010;" strike the remainder
7 of the title and insert "amending RCW 74.09.470 and 74.09.480; and
8 creating new sections."

EFFECT: Inserts intent that department use the Apple Health brand identity with appropriate materials.

Removes the explicit requirement for the new program identification card with the Apple Health logo and name, and the statement on covering children.

Modifies the buy-in program for those above 300% FPL to link the benefits to the Apple Health covered services, but allow copays, premiums, preexisting conditions, waiting periods, and other design changes needed to offer affordable coverage.

Removes the exemption from Title 48 RCW for managed care plans offering the buy-in program.

Modifies the requirement for an Apple Health Executive to require the department to identify an existing staff person that serves as the single point of contact and coordination for Apple Health.

The performance indicators are modified slightly for the developmental assessment tools to reflect the use of tools that are consistent with nationally accepted pediatric guidelines and recommended administration schedule, once funding is specifically appropriated for this purpose.

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