
SENATE BILL 5202

State of Washington

61st Legislature

2009 Regular Session

By Senators Franklin, Keiser, and Marr; by request of Department of Social and Health Services

Read first time 01/16/09. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to modifying the implementation date, the benefit
2 design, and the obligations of participating managed health care
3 systems for nonsubsidized state health coverage for children by
4 amending RCW 74.09.470(5)(b); and amending RCW 74.09.470.

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

6 **Sec. 1.** RCW 74.09.470 and 2007 c 5 s 2 are each amended to read as
7 follows:

8 (1) Consistent with the goals established in RCW 74.09.402, through
9 the program authorized in this section, the department shall provide
10 affordable health care coverage to children under the age of nineteen
11 who reside in Washington state and whose family income at the time of
12 enrollment is not greater than two hundred fifty percent of the federal
13 poverty level as adjusted for family size and determined annually by
14 the federal department of health and human services, and effective
15 January 1, 2009, and only to the extent that funds are specifically
16 appropriated therefor, to children whose family income is not greater
17 than three hundred percent of the federal poverty level. In
18 administering the program, the department shall take such actions as
19 may be necessary to ensure the receipt of federal financial

1 participation under the medical assistance program, as codified at
2 Title XIX of the federal social security act, the state children's
3 health insurance program, as codified at Title XXI of the federal
4 social security act, and any other federal funding sources that are now
5 available or may become available in the future. The department and
6 the caseload forecast council shall estimate the anticipated caseload
7 and costs of the program established in this section.

8 (2) The department shall accept applications for enrollment for
9 children's health care coverage; establish appropriate minimum-
10 enrollment periods, as may be necessary; and determine eligibility
11 based on current family income. The department shall make eligibility
12 determinations within the time frames for establishing eligibility for
13 children on medical assistance, as defined by RCW 74.09.510. The
14 application and annual renewal processes shall be designed to minimize
15 administrative barriers for applicants and enrolled clients, and to
16 minimize gaps in eligibility for families who are eligible for
17 coverage. If a change in family income results in a change in program
18 eligibility, the department shall transfer the family members to the
19 appropriate programs and notify the family with respect to any change
20 in premium obligation, without a break in eligibility. The department
21 shall use the same eligibility redetermination and appeals procedures
22 as those provided for children on medical assistance programs. The
23 department shall modify its eligibility renewal procedures to lower the
24 percentage of children failing to annually renew. The department shall
25 report to the appropriate committees of the legislature on its progress
26 in this regard by December 2007.

27 (3) To ensure continuity of care and ease of understanding for
28 families and health care providers, and to maximize the efficiency of
29 the program, the amount, scope, and duration of health care services
30 provided to children under this section shall be the same as that
31 provided to children under medical assistance, as defined in RCW
32 74.09.520.

33 (4) The primary mechanism for purchasing health care coverage under
34 this section shall be through contracts with managed health care
35 systems as defined in RCW 74.09.522 except when utilization patterns
36 suggest that fee-for-service purchasing could produce equally effective
37 and cost-efficient care. However, the department shall make every
38 effort within available resources to purchase health care coverage for

1 uninsured children whose families have access to dependent coverage
2 through an employer-sponsored health plan or another source when it is
3 cost-effective for the state to do so, and the purchase is consistent
4 with requirements of Title XIX and Title XXI of the federal social
5 security act. To the extent allowable under federal law, the
6 department shall require families to enroll in available employer-
7 sponsored coverage, as a condition of participating in the program
8 established under chapter 5, Laws of 2007, when it is cost-effective
9 for the state to do so. Families who enroll in available employer-
10 sponsored coverage under chapter 5, Laws of 2007 shall be accounted for
11 separately in the annual report required by RCW 74.09.053.

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

26 (b) Beginning January 1, ~~((2009))~~ 2010, the department shall offer
27 families whose income is greater than three hundred percent of the
28 federal poverty level the opportunity to purchase health care coverage
29 for their children ~~((through the programs administered under this
30 section))~~ without a premium subsidy from the state. The amount paid by
31 the family shall be in an amount equal to the rate paid by the state to
32 the managed health care system for coverage of the child, including any
33 associated and administrative costs to the state of providing coverage
34 for the child.

35 (i) The activities and operations of the children's health coverage
36 program under this subsection, including those of managed health care
37 systems to the extent of their participation in the program, are exempt
38 from the provisions of Title 48 RCW, except:

1 (A) The coverage is subject to RCW 48.21.200 and is excess to the
2 benefits payable under the terms of any insurance policy issued to or
3 on the behalf of an enrollee that provides payments toward medical
4 expenses without a determination of liability for the injury.

5 (B) Managed health care systems are subject to the provisions of
6 RCW 48.43.022, 48.43.500 through 48.43.535, 48.43.545, and 48.43.550.

7 (ii) The activities and operations of the children's health
8 coverage program under this subsection are subject to the provisions of
9 RCW 43.70.235, 70.02.045, 70.02.110, and 70.02.900.

10 (iii) Persons appointed or authorized to solicit applications for
11 enrollment in nonsubsidized state children's health coverage, including
12 employees of the department, must comply with chapter 48.17 RCW. For
13 purposes of this subsection, the term "solicit" does not include
14 distributing information and applications for nonsubsidized state
15 children's health coverage and responding to questions.

16 (iv) Amounts paid to a managed health care system by the department
17 for providing health care services pursuant to this subsection must
18 comply with RCW 48.14.0201.

19 (6) The department shall undertake a proactive, targeted outreach
20 and education effort with the goal of enrolling children in health
21 coverage and improving the health literacy of youth and parents. The
22 department shall collaborate with the department of health, local
23 public health jurisdictions, the office of (~~the~~) the superintendent
24 of public instruction, the department of early learning, health
25 educators, health care providers, health carriers, and parents in the
26 design and development of this effort. The outreach and education
27 effort shall include the following components:

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

30 (b) Assistance with completing applications, and community-based
31 outreach efforts to help people apply for coverage. Community-based
32 outreach efforts should be targeted to the populations least likely to
33 be covered;

34 (c) Use of existing systems, such as enrollment information from
35 the free and reduced-price lunch program, the department of early
36 learning child care subsidy program, the department of health's women,
37 infants, and children program, and the early childhood education and

1 assistance program, to identify children who may be eligible but not
2 enrolled in coverage;

3 (d) Contracting with community-based organizations and government
4 entities to support community-based outreach efforts to help families
5 apply for coverage. These efforts should be targeted to the
6 populations least likely to be covered. The department shall provide
7 informational materials for use by government entities and community-
8 based organizations in their outreach activities, and should identify
9 any available federal matching funds to support these efforts;

10 (e) Development and dissemination of materials to engage and inform
11 parents and families statewide on issues such as: The benefits of
12 health insurance coverage; the appropriate use of health services,
13 including primary care provided by health care practitioners licensed
14 under chapters 18.71, 18.57, 18.36A, and 18.79 RCW, and emergency
15 services; the value of a medical home, well-child services and
16 immunization, and other preventive health services with linkages to
17 department of health child profile efforts; identifying and managing
18 chronic conditions such as asthma and diabetes; and the value of good
19 nutrition and physical activity;

20 (f) An evaluation of the outreach and education efforts, based upon
21 clear outcome measures that are included in contracts with entities
22 that undertake components of the outreach and education effort;

23 (g) A feasibility study and implementation plan to develop online
24 application capability that is integrated with the department's
25 automated client eligibility system, and to develop data linkages with
26 the office of ~~((the))~~ the superintendent of public instruction for
27 free and reduced-price lunch enrollment information and the department
28 of early learning for child care subsidy program enrollment
29 information. The department shall submit a feasibility study on the
30 implementation of the requirements in this subsection to the governor
31 and legislature by July 2008.

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

37 (8) The department shall monitor the rates of substitution between

1 private-sector health care coverage and the coverage provided under
2 this section and shall report to appropriate committees of the
3 legislature by December 2010.

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