

SHB 1967 - S COMM AMD
By Committee on Health Care

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

3 NEW SECTION. **Sec. 1.** (1) The legislature finds that the
4 affordable care act encourages states to develop innovative
5 approaches to covering their residents by authorizing states to apply
6 for waivers from the requirements of federal law. States that are
7 granted innovation waivers may receive federal assistance to operate
8 their reform programs in an amount that is equivalent to the
9 aggregate amount of tax credits and cost-sharing subsidies that the
10 federal government would have paid for individuals enrolled in state
11 health insurance exchanges.

12 (2) The legislature therefore intends to direct the health care
13 authority to apply for a waiver to permit the state to innovatively
14 expand health care coverage and reduce health care costs.

15 NEW SECTION. **Sec. 2.** (1)(a) By January 1, 2016, the health
16 benefit exchange in coordination with the health care authority shall
17 apply to the federal government for a waiver to permit employers in
18 this state to integrate certain employer health care arrangements
19 with individual market policies. For purposes of this section, such
20 employer health care arrangements must be an account-based plan that:

21 (i) Requires transfer of employer and employee contributions to
22 an account owned or controlled by the employee with such account
23 being portable from employer to employer;

24 (ii) Ensures such accounts are maintained or operated in a way
25 that account funds are used to pay only qualified medical expenses
26 under section 213(d) of the internal revenue code, to the extent
27 account funds are tax deductible pursuant to federal law;

28 (iii) Any tax deductible funds in such account may not be used to
29 pay any share of the premium for a policy purchased through a health
30 benefit exchange for which a refundable credit is paid pursuant to
31 the affordable care act;

32 (iv) All employees and employee family members not subject to the
33 employer mandate included in the affordable care act are eligible to

1 make tax deductible contributions and receive employer contributions
2 to the account, including all part-time and seasonal employees, or
3 employees whose employer does not offer their employees group health
4 plan coverage;

5 (v) Such account may be combined with other accounts established
6 on behalf of a family to make premium payments and other health care
7 expenditures;

8 (vi) Such account is structured to receive funds electronically,
9 including funds from multiple employers on behalf of an individual or
10 family and to aggregate funds for paying premiums and other health
11 care expenses;

12 (vii) The electronic payment process includes an audit trail to
13 track and verify premium payments and is reconciled no less
14 frequently than monthly to ensure that funds received from employers
15 and employees are properly credited to accounts; and

16 (viii) Payments made from such accounts shall be considered
17 second party payments consistent with requirements established in
18 Engrossed House Bill No. 1890 (chapter . . . , Laws of 2015).

19 (b) In preparing the application, the health benefit exchange and
20 the health care authority shall provide a process for public notice
21 and comment.

22 (2) Upon receipt of the waiver, the health benefit exchange and
23 the health care authority shall promptly notify in writing the
24 governor and the appropriate committees of the legislature.

25 (3) The health benefit exchange and the health care authority
26 shall provide status reports to the joint select committee on health
27 care oversight, as requested by the committee.

28 NEW SECTION. **Sec. 3.** If specific funding for the purposes of
29 this act, referencing this act by bill or chapter number, is not
30 provided by June 30, 2015, in the omnibus appropriations act, this
31 act is null and void."

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32 On page 1, line 2 of the title, after "waivers;" strike the
33 remainder of the title and insert "and creating new sections."

EFFECT: Removes the reference to 1115 waivers in the intent section.

Inserts the Health Benefit Exchange in the development of the waiver in coordination with the Health Care Authority.

Removes the reference to the 1115 waiver on Medicaid.

Inserts a more detailed description of the employer health care arrangements.

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