

HB 1812 - H AMD 104

By Representative Springer

ADOPTED 03/16/2023

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

3

4 "Sec. 1. RCW 82.04.43395 and 2019 c 350 s 1 are each amended to
5 read as follows:

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

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

17 (a) Incentive payments received through the medicaid quality
18 improvement program established through 42 C.F.R. 438.6(b)(2)((~~, as~~
19 ~~existing on July 28, 2019~~));

20 (b) Delivery system reform incentive payments, medicaid
21 transformation project funding, or both, received through the
22 project described in Sec. 1115 medicaid demonstration project number
23 11-W-00304/0, as approved by the centers for medicare and medicaid
24 services in accordance with Sec. 1115(a) of the social security act.

25 (3) Managed care organizations may deduct from the measure of
26 tax the incentive payments received for achieving quality

27

1 performance standards established through 42 C.F.R. 438.6(b)(2), as
2 existing on July 28, 2019.

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

5 (a) "Accountable community of health" means (~~(an entity~~
6 ~~designated by the health care authority as a community of health~~
7 ~~under RCW 41.05.800 and any additional accountable communities of~~
8 ~~health authorized by the health care authority)) a regional
9 nonprofit designated by the health care authority to work together
10 with the health care delivery system, health plans, public health,
11 social services, community-based organizations, the justice system,
12 schools, tribal partners, and local government leaders to improve
13 the health equity of their communities as part of Sec. 1115 medicaid
14 demonstration project number 11-W-00304/0.~~

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

17
18 NEW SECTION. **Sec. 2.** RCW 82.32.805 and 82.32.808 do not apply
19 to this act."

20 Correct the title.

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EFFECT: Clarifies that the B&O deduction may be taken for
the delivery system reform incentive payments, Medicaid
transformation project funding, or both. Provides a definition for
"accountable community of health". Exempts the B&O deductions from
an automatic 10-year expiration.

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