
SUBSTITUTE SENATE BILL 5626

State of Washington

56th Legislature

1999 Regular Session

By Senate Committee on Education (originally sponsored by Senators Franklin, McAuliffe, Fairley, Kohl-Welles, Patterson, Costa, McCaslin, Kline, Wojahn and Rasmussen)

Read first time 02/24/1999.

1 AN ACT Relating to medicaid reimbursement payments to school
2 districts; and amending RCW 74.09.5255 and 74.09.5256.

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

4 **Sec. 1.** RCW 74.09.5255 and 1994 c 180 s 6 are each amended to read
5 as follows:

6 Of the projected federal medicaid and private insurance revenue
7 collected under RCW 74.09.5249, (~~twenty~~) one-half of the percent of
8 potential medicaid eligible students billed by the school district as
9 calculated by the superintendent multiplied by the federal portion of
10 medicaid payments, after deduction for billing fees, shall be for
11 incentive payments to districts. Incentive payments shall only be used
12 by districts for children with disabilities.

13 **Sec. 2.** RCW 74.09.5256 and 1994 c 180 s 7 are each amended to read
14 as follows:

15 (1) Districts shall reassign medicaid payments to be received under
16 RCW 74.09.5249 through 74.09.5253, 74.09.5254 and 74.09.5255, and this
17 section to the superintendent of public instruction.

1 (2) The superintendent of public instruction shall receive medicaid
2 payments from the department of social and health services for all
3 state and federal moneys under Title XIX of the federal social security
4 act due to districts for medical assistance provided in the district's
5 special education program.

6 (3) The superintendent shall use reports from the department of
7 social and health services, the state billing agent, districts acting
8 as their own billing agent, and firms to calculate the appropriate
9 amounts of incentive payments and state special education program
10 moneys due each district.

11 (4) Moneys received by the superintendent of public instruction
12 shall be disbursed for the following purposes:

13 (a) Reimbursement to the department of social and health services
14 for the state-funded portion of medicaid payments;

15 (b) Reimbursement for billing agent's fees, including those of
16 districts acting as their own agent and billing fees of firms;

17 (c) Incentive payments to each school district(~~(s)~~) equal to
18 (~~(twenty)~~) one-half of the percent of potential medicaid eligible
19 students billed by the school district as calculated by the
20 superintendent multiplied by the federal portion of medicaid payments
21 after deduction for billing fees; and

22 (d) The remainder shall be distributed to districts as part of
23 state allocations for the special education program provided under RCW
24 28A.150.390.

25 (5) With respect to private insurer funds received by districts,
26 the superintendent of public instruction shall reduce state special
27 education program allocations to the districts by (~~eighty percent of~~
28 ~~the amount received~~) one minus the percent calculated by the
29 superintendent in subsection (4)(c) of this section, after deduction
30 for billing fees.

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