
SENATE BILL 5998

State of Washington 58th Legislature 2003 Regular Session

By Senators West, Brown, Franklin, Kohl-Welles, McAuliffe and Winsley

Read first time 02/28/2003. Referred to Committee on Ways & Means.

1 AN ACT Relating to demonstration projects that modify the basic
2 health plan; and adding a new section to chapter 70.47 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 70.47 RCW
5 to read as follows:

6 (1) The administrator shall solicit and may approve applications
7 from local organizations for demonstration projects for which the terms
8 and conditions of this chapter governing the design and operation of
9 the basic health plan are modified.

10 (2) Modifications that the administrator may approve include, but
11 are not limited to, those relating to eligibility standards, benefits
12 design, and enrollee premiums and cost-sharing. Demonstration projects
13 may also include applying basic health plan subsidy payments toward
14 employer-sponsored health insurance or other health insurance premium
15 shares rather than as payments to managed health care systems
16 participating in the basic health plan.

17 (3) The administrator may approve only applications for
18 demonstration projects reasonably expected to provide benefits of
19 comparable value, at the same cost to the state, to a greater number of

1 persons than is provided by the standard basic health plan for the
2 geographic area in which the demonstration project would be implemented
3 on the date the application is received. In approving an application,
4 the administrator shall also consider:

5 (a) The capacity of the applicant organization to participate in
6 implementation of the demonstration project, including the financial
7 and in-kind resources at its disposal;

8 (b) The extent to which the proposed project represents an
9 innovative approach to health care delivery or financing;

10 (c) The extent to which the proposed project will improve the
11 quality of care received by and health status of basic health plan
12 enrollees; and

13 (d) The extent to which the proposed project could be replicated in
14 other parts of the state should it prove successful.

15 (4) All other laws applicable to health carriers and health care
16 providers under the basic health plan outside of this chapter apply to
17 demonstration projects approved under this section.

18 (5) By November 1, 2003, the administrator shall report to the
19 health care committees of the senate and the house of representatives
20 on their progress in developing the demonstration projects authorized
21 in this section and the anticipated implementation date of any projects
22 under development.

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