

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1441

Chapter 279, Laws of 2005

(partial veto)

59th Legislature
2005 Regular Session

INSURANCE--CHILDRENS' HEALTH COVERAGE

EFFECTIVE DATE: 7/24/05

Passed by the House April 21, 2005
Yeas 66 Nays 32

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 23, 2005
Yeas 28 Nays 21

BRAD OWEN

President of the Senate

Approved May 4, 2005, with the
exception of Section 3, which is vetoed.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1441** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

May 4, 2005 - 3:40 p.m.

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1441

Passed Legislature - 2005 Regular Session

State of Washington

59th Legislature

2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Clibborn, Morrell, Campbell, Cody, Tom, Moeller, Schual-Berke, Wallace, Grant, Williams, Lovick, Ormsby, Chase, Kessler, Kagi, Hunt, Appleton, Darneille, Upthegrove, Sells, Roberts, Conway, Miloscia, Fromhold, P. Sullivan, Santos, Takko, Green, Wood, Simpson, Hasegawa and Dickerson)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to health insurance coverage for children; amending
2 RCW 74.09.415; adding a new section to chapter 74.09 RCW; providing an
3 effective date; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 74.09 RCW
6 to read as follows:

7 (1) The legislature finds that:

8 (a) The health of the children of Washington state is critical to
9 their success in school and throughout their lives. Children with
10 health insurance coverage have better health outcomes than those who
11 lack coverage. Children without health insurance coverage are more
12 likely to be in poor health and more likely to delay receiving, or go
13 without, needed health care services;

14 (b) Access to preventive and well-child health services for
15 children is a cost-effective investment of both public and private
16 dollars that improves the health of children and of our communities at
17 large; and

18 (c) Health care coverage for children in Washington state is the
19 product of critical efforts in both the private and public sectors to

1 help children succeed. Private health insurance coverage is
2 complemented by public programs that meet needs of low-income children
3 whose parents are not offered health insurance coverage through their
4 employer or who cannot otherwise afford the costs of coverage. In
5 2004, thirty-five percent of children in Washington state had some form
6 of public health coverage. Yet, even with the efforts of both the
7 private and public sectors, too many children in Washington state lack
8 health insurance coverage. In 2004, almost one hundred thousand
9 children were uninsured. Two-thirds of these children are low income.

10 (2) It is therefore the intent of the legislature that all children
11 in the state of Washington have health care coverage by 2010. This
12 should be accomplished by building upon and strengthening the successes
13 of private health insurance coverage and publicly supported children's
14 health insurance programs in Washington state. Access to coverage
15 should be streamlined and efficient, with reductions in unnecessary
16 administrative costs and mechanisms to expeditiously link children with
17 a medical home.

18 **Sec. 2.** RCW 74.09.415 and 2002 c 366 s 2 are each amended to read
19 as follows:

20 (1) There is hereby established a program to be known as the
21 children's health program. The legislature finds that the children's
22 health program is a more appropriate mechanism for providing health
23 services to poor children who are not otherwise eligible for medical
24 assistance than grants to community clinics to offset uncompensated
25 care or coverage through the Washington basic health plan.

26 To the extent of available funds:

27 (a) Health care services may be provided to persons who are under
28 eighteen years of age with household incomes at or below the federal
29 poverty level and not otherwise eligible for medical assistance or the
30 limited casualty program for the medically needy.

31 (b) The determination of eligibility of recipients for health care
32 services shall be the responsibility of the department. (~~The~~
33 ~~application process shall be easy to understand and, to the extent~~
34 ~~possible, applications shall be made available at local schools and~~
35 ~~other appropriate locations.)) The department shall make eligibility
36 determinations within the time frames for establishing eligibility for
37 children on medical assistance, as defined by RCW 74.09.510.~~

1 (c) The amount, scope, and duration of health care services
2 provided to eligible children under the children's health program shall
3 be the same as that provided to children under medical assistance, as
4 defined in RCW 74.09.520.

5 ~~(2) ((The legislature is interested in assessing the effectiveness
6 of the prenatal care program. However, the legislature recognizes the
7 cost and complexity associated with such assessment.~~

8 ~~The legislature accepts the effectiveness of prenatal and maternity
9 care at improving birth outcomes when these services are received by
10 eligible persons. Therefore, the legislature intends to focus scarce
11 assessment resources to determine the extent to which support services
12 such as child care, psychosocial and nutritional assessment and
13 counseling, case management, transportation, and other support services
14 authorized by chapter 296, Laws of 1990, result in receipt of prenatal
15 and maternity care by eligible persons.~~

16 ~~The University of Washington shall conduct a study, based on a
17 statistically significant statewide sampling of data, to evaluate the
18 effectiveness of the maternity care access program set forth in RCW
19 74.09.760 through 74.09.820 based on the principles set forth in RCW
20 74.09.770.~~

21 ~~The University of Washington shall develop a plan and budget for
22 the study in consultation with the joint legislative audit and review
23 committee. The joint legislative audit and review committee shall also
24 monitor the progress of the study.~~

25 ~~The department of social and health services shall make data and
26 other information available as needed to the University of Washington
27 as required to conduct this study.~~

28 ~~The study shall determine:~~

29 ~~(a) The characteristics of women receiving services, including
30 health risk factors;~~

31 ~~(b) The extent to which access to maternity care and support
32 services have improved in this state as a result of this program;~~

33 ~~(c) The utilization of services and birth outcomes for women and
34 infants served by this program by type of practitioner;~~

35 ~~(d) The extent to which birth outcomes for women receiving services
36 under this program have improved in comparison to birth outcomes of
37 nonmedicaid mothers;~~

1 ~~(e) The impact of increased medicaid reimbursement to physicians on~~
2 ~~provider participation;~~

3 ~~(f) The difference between costs for services provided under this~~
4 ~~program and medicaid reimbursement for the services;~~

5 ~~(g) The gaps in services, if any, that may still exist for women~~
6 ~~and their infants as defined by RCW 74.09.790 (1) and (4) served by~~
7 ~~this program, excluding pregnant substance abusers, and women covered~~
8 ~~by private health insurance; and~~

9 ~~(h) The number and mix of services provided to eligible women as~~
10 ~~defined by subsection (2)(g) of this section and the effect on birth~~
11 ~~outcomes as compared to nonmedicaid birth outcomes.)) Enrollment in~~
12 ~~the children's health program shall not result in expenditures that~~
13 ~~exceed the amount that has been appropriated for the program in the~~
14 ~~operating budget. If it appears that continued enrollment will result~~
15 ~~in expenditures exceeding the appropriated level for a particular~~
16 ~~fiscal year, the department may freeze new enrollment in the program~~
17 ~~for that year.~~

18 ****NEW SECTION. Sec. 3. This act is necessary for the immediate***
19 ***preservation of the public peace, health, or safety, or support of the***
20 ***state government and its existing public institutions, and takes effect***
21 ***July 1, 2005.***

**Sec. 3 was vetoed. See message at end of chapter.*

Passed by the House April 21, 2005.

Passed by the Senate April 23, 2005.

Approved by the Governor May 4, 2005, with the exception of
certain items that were vetoed.

Filed in Office of Secretary of State May 4, 2005.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Section 3, Engrossed
Second Substitute House Bill No. 1441 entitled:

"AN ACT Relating to health insurance coverage for children."

This bill reinstates the Children's Health Program for children up to 100 percent of the federal poverty level who are not otherwise eligible for Medicaid. Section 3 of the bill, the emergency clause that contains the effective date of July 1, 2005, is not needed for funding purposes and could set unreasonable expectations regarding the timing of implementation. The Department of Social and Health Services' (the "Department") operating budget appropriation for 2005-07 becomes effective on July 1, 2005. The Department estimates it will take six months to make the systems changes necessary to start enrolling children in this program by January 2006. I do not want to create false expectation that the Department will start enrolling children on July 1, 2005.

For these reasons I have vetoed Section 3 of Engrossed Second Substitute House Bill No. 1441.

With the exception of Section 3, Engrossed Second Substitute House Bill No. 1441 is approved."