

HB 2003 - H AMD 834

By Representative Hunter

ADOPTED 05/24/2011

1 On page 4, beginning on line 7, after "shall be" strike all
2 material through "under" on line 8 and insert "set every two years in
3 an amount no greater than the average state-only share of the per
4 capita cost of coverage in"

5 On page 4, beginning on line 8, after "program." strike all
6 material through "department." on line 13

7 On page 6, after line 17, insert the following:

8 "**Sec. 2.** RCW 74.09.470 and 2011 1st sp.s. c . . . (2E2SHB 1738) s
9 21 are each amended to read as follows:

10 (1) Consistent with the goals established in RCW 74.09.402, through
11 the apple health for kids program authorized in this section, the
12 authority shall provide affordable health care coverage to children
13 under the age of nineteen who reside in Washington state and whose
14 family income at the time of enrollment is not greater than two hundred
15 fifty percent of the federal poverty level as adjusted for family size
16 and determined annually by the federal department of health and human
17 services, and effective January 1, 2009, and only to the extent that
18 funds are specifically appropriated therefor, to children whose family
19 income is not greater than three hundred percent of the federal poverty
20 level. In administering the program, the authority shall take such
21 actions as may be necessary to ensure the receipt of federal financial
22 participation under the medical assistance program, as codified at
23 Title XIX of the federal social security act, the state children's
24 health insurance program, as codified at Title XXI of the federal
25 social security act, and any other federal funding sources that are now
26 available or may become available in the future. The authority and the
27 caseload forecast council shall estimate the anticipated caseload and
28 costs of the program established in this section.

1 (2) The authority shall accept applications for enrollment for
2 children's health care coverage; establish appropriate minimum-
3 enrollment periods, as may be necessary; and determine eligibility
4 based on current family income. The authority shall make eligibility
5 determinations within the time frames for establishing eligibility for
6 children on medical assistance, as defined by RCW 74.09.510. The
7 application and annual renewal processes shall be designed to minimize
8 administrative barriers for applicants and enrolled clients, and to
9 minimize gaps in eligibility for families who are eligible for
10 coverage. If a change in family income results in a change in the
11 source of funding for coverage, the authority shall transfer the family
12 members to the appropriate source of funding and notify the family with
13 respect to any change in premium obligation, without a break in
14 eligibility. The authority shall use the same eligibility
15 redetermination and appeals procedures as those provided for children
16 on medical assistance programs. The authority shall modify its
17 eligibility renewal procedures to lower the percentage of children
18 failing to annually renew. The authority shall manage its outreach,
19 application, and renewal procedures with the goals of: (a) Achieving
20 year by year improvements in enrollment, enrollment rates, renewals,
21 and renewal rates; (b) maximizing the use of existing program databases
22 to obtain information related to earned and unearned income for
23 purposes of eligibility determination and renewals, including, but not
24 limited to, the basic food program, the child care subsidy program,
25 federal social security administration programs, and the employment
26 security department wage database; (c) streamlining renewal processes
27 to rely primarily upon data matches, online submissions, and telephone
28 interviews; and (d) implementing any other eligibility determination
29 and renewal processes to allow the state to receive an enhanced federal
30 matching rate and additional federal outreach funding available through
31 the federal children's health insurance program reauthorization act of
32 2009 by January 2010. The department shall advise the governor and the
33 legislature regarding the status of these efforts by September 30,
34 2009. The information provided should include the status of the
35 department's efforts, the anticipated impact of those efforts on
36 enrollment, and the costs associated with that enrollment.

37 (3) To ensure continuity of care and ease of understanding for
38 families and health care providers, and to maximize the efficiency of

1 the program, the amount, scope, and duration of health care services
2 provided to children under this section shall be the same as that
3 provided to children under medical assistance, as defined in RCW
4 74.09.520.

5 (4) The primary mechanism for purchasing health care coverage under
6 this section shall be through contracts with managed health care
7 systems as defined in RCW 74.09.522, subject to conditions,
8 limitations, and appropriations provided in the biennial appropriations
9 act. However, the authority shall make every effort within available
10 resources to purchase health care coverage for uninsured children whose
11 families have access to dependent coverage through an employer-
12 sponsored health plan or another source when it is cost-effective for
13 the state to do so, and the purchase is consistent with requirements of
14 Title XIX and Title XXI of the federal social security act. To the
15 extent allowable under federal law, the authority shall require
16 families to enroll in available employer-sponsored coverage, as a
17 condition of participating in the program established under this
18 section, when it is cost-effective for the state to do so. Families
19 who enroll in available employer- sponsored coverage under this section
20 shall be accounted for separately in the annual report required by RCW
21 74.09.053.

22 (5)(a) To reflect appropriate parental responsibility, the
23 authority shall develop and implement a schedule of premiums for
24 children's health care coverage due to the authority from families with
25 income greater than two hundred percent of the federal poverty level.
26 For families with income greater than two hundred fifty percent of the
27 federal poverty level, the premiums shall be established in
28 consultation with the senate majority and minority leaders and the
29 speaker and minority leader of the house of representatives. For
30 children eligible for coverage under the federally funded children's
31 health insurance program, Title XXI of the federal social security act,
32 premiums shall be set at a reasonable level that does not pose a
33 barrier to enrollment. The amount of the premium shall be based upon
34 family income and shall not exceed the premium limitations in Title XXI
35 of the federal social security act. For children who are not eligible
36 for coverage under the federally funded children's health insurance
37 program, premiums shall be set every two years in an amount no greater

1 than the average state-only share of the per capita cost of coverage in
2 the state-funded children's health program.

3 (b) Premiums shall not be imposed on children in households at or
4 below two hundred percent of the federal poverty level as articulated
5 in RCW 74.09.055.

6 ((+b+)) (c) Beginning no later than January 1, 2010, the authority
7 shall offer families whose income is greater than three hundred percent
8 of the federal poverty level the opportunity to purchase health care
9 coverage for their children through the programs administered under
10 this section without an explicit premium subsidy from the state. The
11 design of the health benefit package offered to these children should
12 provide a benefit package substantially similar to that offered in the
13 apple health for kids program, and may differ with respect to cost-
14 sharing, and other appropriate elements from that provided to children
15 under subsection (3) of this section including, but not limited to,
16 application of preexisting conditions, waiting periods, and other
17 design changes needed to offer affordable coverage. The amount paid by
18 the family shall be in an amount equal to the rate paid by the state to
19 the managed health care system for coverage of the child, including any
20 associated and administrative costs to the state of providing coverage
21 for the child. Any pooling of the program enrollees that results in
22 state fiscal impact must be identified and brought to the legislature
23 for consideration.

24 (6) The authority shall undertake and continue a proactive,
25 targeted outreach and education effort with the goal of enrolling
26 children in health coverage and improving the health literacy of youth
27 and parents. The authority shall collaborate with the department of
28 social and health services, department of health, local public health
29 jurisdictions, the office of the superintendent of public instruction,
30 the department of early learning, health educators, health care
31 providers, health carriers, community-based organizations, and parents
32 in the design and development of this effort. The outreach and
33 education effort shall include the following components:

34 (a) Broad dissemination of information about the availability of
35 coverage, including media campaigns;

36 (b) Assistance with completing applications, and community-based
37 outreach efforts to help people apply for coverage. Community-based

1 outreach efforts should be targeted to the populations least likely to
2 be covered;

3 (c) Use of existing systems, such as enrollment information from
4 the free and reduced-price lunch program, the department of early
5 learning child care subsidy program, the department of health's women,
6 infants, and children program, and the early childhood education and
7 assistance program, to identify children who may be eligible but not
8 enrolled in coverage;

9 (d) Contracting with community-based organizations and government
10 entities to support community-based outreach efforts to help families
11 apply for coverage. These efforts should be targeted to the
12 populations least likely to be covered. The authority shall provide
13 informational materials for use by government entities and community-
14 based organizations in their outreach activities, and should identify
15 any available federal matching funds to support these efforts;

16 (e) Development and dissemination of materials to engage and inform
17 parents and families statewide on issues such as: The benefits of
18 health insurance coverage; the appropriate use of health services,
19 including primary care provided by health care practitioners licensed
20 under chapters 18.71, 18.57, 18.36A, and 18.79 RCW, and emergency
21 services; the value of a medical home, well-child services and
22 immunization, and other preventive health services with linkages to
23 department of health child profile efforts; identifying and managing
24 chronic conditions such as asthma and diabetes; and the value of good
25 nutrition and physical activity;

26 (f) An evaluation of the outreach and education efforts, based upon
27 clear, cost-effective outcome measures that are included in contracts
28 with entities that undertake components of the outreach and education
29 effort;

30 (g) An implementation plan to develop online application capability
31 that is integrated with the automated client eligibility system, and to
32 develop data linkages with the office of the superintendent of public
33 instruction for free and reduced-price lunch enrollment information and
34 the department of early learning for child care subsidy program
35 enrollment information.

36 (7) The authority shall take action to increase the number of
37 primary care physicians providing dental disease preventive services

1 including oral health screenings, risk assessment, family education,
2 the application of fluoride varnish, and referral to a dentist as
3 needed.

4 (8) The department shall monitor the rates of substitution between
5 private-sector health care coverage and the coverage provided under
6 this section.

7 NEW SECTION. **Sec. 3.** (1) Section 1 of this act takes effect if
8 section 21, chapter . . . (2E2SHB 1738), Laws of 2011 1st sp. sess. is
9 not enacted into law.

10 (2) Section 2 of this act takes effect if section 21, chapter . . .
11 (2E2SHB 1738), Laws of 2011 1st sp. sess. is enacted into law."

12 Renumber the remaining section consecutively and correct the title.

13 On page 6, line 18, after "**Sec. 2.**" strike "This" and insert
14 "Subject to section 3 of this act, this"

EFFECT: Premiums will be set every two years. Premiums will be set at no more than the average state-only share of the per capita cost of coverage in the state-funded Children's Health Program, instead of equal to the per capita cost of coverage in the Children's Health Program. The provision allowing financial sponsors to support children that are required to pay premiums in the Apple Health for Kids program is removed. In addition, the amendment makes a technical change to update the underlying statutory text for RCW 74.09.470 (section 1 of the bill) to reflect the changes made to that section of code by Second Engrossed Second Substitute House Bill 1738 (Medicaid single state agency).

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