

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2069

Chapter 10, Laws of 2013

63rd Legislature
2013 2nd Special Session

SAFETY NET BENEFITS

EFFECTIVE DATE: 01/01/14 - Except section 2, which becomes effective 07/01/15.

Passed by the House June 28, 2013
Yeas 83 Nays 9

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate June 28, 2013
Yeas 46 Nays 2

BRAD OWEN

President of the Senate

Approved June 30, 2013, 4:36 p.m.

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2069** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

July 1, 2013

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 2069

AS AMENDED BY THE SENATE

Passed Legislature - 2013 2nd Special Session

State of Washington 63rd Legislature 2013 2nd Special Session

By House Appropriations (originally sponsored by Representatives Hunter and Sullivan)

READ FIRST TIME 06/06/13.

1 AN ACT Relating to continuation of safety net benefits for persons
2 determined to have a physical or mental disability which makes them
3 eligible for the aged, blind, and disabled program under RCW 74.62.030
4 or the essential needs and housing program under RCW 43.185C.220;
5 amending RCW 74.62.030, 74.62.030, 43.185C.220, and 43.185C.230;
6 reenacting and amending RCW 74.09.510, 74.09.035, and 74.09.010; adding
7 a new section to chapter 74.04 RCW; and providing effective dates.

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

9 **Sec. 1.** RCW 74.62.030 and 2011 1st sp.s. c 36 s 3 are each amended
10 to read as follows:

11 (1)(a) Effective November 1, 2011, the aged, blind, or disabled
12 assistance program shall provide financial grants to persons in need
13 who:

14 (i) Are not eligible to receive federal aid assistance, other than
15 basic food benefits transferred electronically and medical assistance;

16 (ii) Meet the eligibility requirements of subsection (3) of this
17 section; and

18 (iii) Are aged, blind, or disabled. For purposes of determining

1 eligibility for assistance for the aged, blind, or disabled assistance
2 program, the following definitions apply:

3 (A) "Aged" means age sixty-five or older.

4 (B) "Blind" means statutorily blind as defined for the purpose of
5 determining eligibility for the federal supplemental security income
6 program.

7 (C) "Disabled", until June 30, 2015, means a bodily or mental
8 infirmity that will (I) likely continue for a minimum of nine months;
9 (II) prevent the individual from currently performing work that the
10 individual was able to perform as a substantial gainful activity within
11 the prior ten years; and (III) is otherwise likely to meet the federal
12 supplemental security income disability standard as determined by the
13 department. In making this determination, the department should give
14 full consideration to the cumulative impact of an applicant's multiple
15 impairments, an applicant's age, and vocational and educational
16 history.

17 In determining whether a person is disabled, the department may
18 rely on, but is not limited to, the following:

19 ~~((I))~~ (1) A previous disability determination by the social
20 security administration or the disability determination service entity
21 within the department; or

22 ~~((II))~~ (2) A determination that an individual is eligible to
23 receive optional categorically needy medicaid as a disabled person
24 under the federal regulations at 42 C.F.R. Parts 435, Secs. 201(a)(3)
25 and 210.

26 (b) The following persons are not eligible for the aged, blind, or
27 disabled assistance program:

28 (i) Persons who are not able to engage in gainful employment due
29 primarily to alcohol or drug addiction. These persons shall be
30 referred to appropriate assessment, treatment, shelter, or supplemental
31 security income referral services as authorized under chapter 74.50
32 RCW. Referrals shall be made at the time of application or at the time
33 of eligibility review. This subsection may not be construed to
34 prohibit the department from granting aged, blind, or disabled
35 assistance benefits to alcoholics and drug addicts who are
36 incapacitated due to other physical or mental conditions that meet the
37 eligibility criteria for the aged, blind, or disabled assistance
38 program; or

1 (ii) Persons for whom there has been a final determination of
2 ineligibility for federal supplemental security income benefits.

3 (c) Persons may receive aged, blind, or disabled assistance
4 benefits pending application for federal supplemental security income
5 benefits. The monetary value of any aged, blind, or disabled
6 assistance benefit that is subsequently duplicated by the person's
7 receipt of supplemental security income for the same period shall be
8 considered a debt due the state and shall by operation of law be
9 subject to recovery through all available legal remedies.

10 (2) Effective November 1, 2011, the pregnant women assistance
11 program shall provide financial grants to persons who:

12 (a) Are not eligible to receive federal aid assistance other than
13 basic food benefits or medical assistance; and

14 (b) Are pregnant and in need, based upon the current income and
15 resource standards of the federal temporary assistance for needy
16 families program, but are ineligible for federal temporary assistance
17 for needy families benefits for a reason other than failure to
18 cooperate in program requirements; and

19 (c) Meet the eligibility requirements of subsection (3) of this
20 section.

21 (3) To be eligible for the aged, blind, or disabled assistance
22 program under subsection (1) of this section or the pregnant women
23 assistance program under subsection (2) of this section, a person must:

24 (a) Be a citizen or alien lawfully admitted for permanent residence
25 or otherwise residing in the United States under color of law;

26 (b) Meet the income and resource standards described in section
27 3(1) (d) and (e) of this act;

28 (c) Have furnished the department his or her social security
29 number. If the social security number cannot be furnished because it
30 has not been issued or is not known, an application for a number shall
31 be made prior to authorization of benefits, and the social security
32 number shall be provided to the department upon receipt;

33 ((+e)) (d) Not have ((not)) refused or failed without good cause
34 to participate in drug or alcohol treatment if an assessment by a
35 certified chemical dependency counselor indicates a need for such
36 treatment. Good cause must be found to exist when a person's physical
37 or mental condition, as determined by the department, prevents the
38 person from participating in drug or alcohol dependency treatment, when

1 needed outpatient drug or alcohol treatment is not available to the
2 person in the county of his or her residence or when needed inpatient
3 treatment is not available in a location that is reasonably accessible
4 for the person; and

5 ~~((d))~~ (e) Not have refused or failed to cooperate in obtaining
6 federal aid assistance, without good cause.

7 (4) Effective November 1, 2011, referrals for essential needs and
8 housing support under RCW 43.185C.220 shall be provided to persons
9 found eligible ~~((for medical care services under RCW 74.09.035 who are
10 not recipients of alcohol and addiction services provided under chapter
11 74.50 – RCW – or – are – not – recipients – of – aged, – blind, – or – disabled
12 assistance))~~ under section 3 of this act.

13 (5) No person may be considered an eligible individual for benefits
14 under this section with respect to any month if during that month the
15 person:

16 (a) Is fleeing to avoid prosecution of, or to avoid custody or
17 confinement for conviction of, a felony, or an attempt to commit a
18 felony, under the laws of the state of Washington or the place from
19 which the person flees; or

20 (b) Is violating a condition of probation, community supervision,
21 or parole imposed under federal or state law for a felony or gross
22 misdemeanor conviction.

23 ~~((6) The department must review the cases of all persons, except
24 recipients of alcohol and addiction treatment under chapter 74.50 RCW,
25 or recipients of aged, blind, or disabled assistance, who have received
26 medical care services for twelve consecutive months, and at least
27 annually after the first review, to determine whether they are eligible
28 for the aged, blind, or disabled assistance program.))~~

29 **Sec. 2.** RCW 74.62.030 and 2013 2nd sp.s. c ... s 1 (section 1 of
30 this act) are each amended to read as follows:

31 (1)(a) Effective November 1, 2011, the aged, blind, or disabled
32 assistance program shall provide financial grants to persons in need
33 who:

34 (i) Are not eligible to receive federal aid assistance, other than
35 basic food benefits transferred electronically and medical assistance;

36 (ii) Meet the eligibility requirements of subsection (3) of this
37 section; and

1 (iii) Are aged, blind, or disabled. For purposes of determining
2 eligibility for assistance for the aged, blind, or disabled assistance
3 program, the following definitions apply:

4 (A) "Aged" means age sixty-five or older.

5 (B) "Blind" means statutorily blind as defined for the purpose of
6 determining eligibility for the federal supplemental security income
7 program.

8 (C) "Disabled" (~~(, until June 30, 2015,)~~) means (~~(a bodily or mental~~
9 ~~infirmity that will (I) likely continue for a minimum of nine months;~~
10 ~~(II) prevent the individual from currently performing work that the~~
11 ~~individual was able to perform as a substantial gainful activity within~~
12 ~~the prior ten years; and (III) is otherwise)) likely to meet the
13 federal supplemental security income disability standard (~~as~~
14 ~~determined by the department)). In making this determination, the~~
15 department should give full consideration to the cumulative impact of
16 an applicant's multiple impairments, an applicant's age, and vocational
17 and educational history.~~

18 In determining whether a person is disabled, the department may
19 rely on, but is not limited to, the following:

20 ~~((1))~~ (I) A previous disability determination by the social
21 security administration or the disability determination service entity
22 within the department; or

23 ~~((2))~~ (II) A determination that an individual is eligible to
24 receive optional categorically needy medicaid as a disabled person
25 under the federal regulations at 42 C.F.R. Parts 435, Secs. 201(a)(3)
26 and 210.

27 (b) The following persons are not eligible for the aged, blind, or
28 disabled assistance program:

29 (i) Persons who are not able to engage in gainful employment due
30 primarily to alcohol or drug addiction. These persons shall be
31 referred to appropriate assessment, treatment, shelter, or supplemental
32 security income referral services as authorized under chapter 74.50
33 RCW. Referrals shall be made at the time of application or at the time
34 of eligibility review. This subsection may not be construed to
35 prohibit the department from granting aged, blind, or disabled
36 assistance benefits to alcoholics and drug addicts who are
37 incapacitated due to other physical or mental conditions that meet the

1 eligibility criteria for the aged, blind, or disabled assistance
2 program; or

3 (ii) Persons for whom there has been a final determination of
4 ineligibility for federal supplemental security income benefits.

5 (c) Persons may receive aged, blind, or disabled assistance
6 benefits pending application for federal supplemental security income
7 benefits. The monetary value of any aged, blind, or disabled
8 assistance benefit that is subsequently duplicated by the person's
9 receipt of supplemental security income for the same period shall be
10 considered a debt due the state and shall by operation of law be
11 subject to recovery through all available legal remedies.

12 (2) Effective November 1, 2011, the pregnant women assistance
13 program shall provide financial grants to persons who:

14 (a) Are not eligible to receive federal aid assistance other than
15 basic food benefits or medical assistance; and

16 (b) Are pregnant and in need, based upon the current income and
17 resource standards of the federal temporary assistance for needy
18 families program, but are ineligible for federal temporary assistance
19 for needy families benefits for a reason other than failure to
20 cooperate in program requirements; and

21 (c) Meet the eligibility requirements of subsection (3) of this
22 section.

23 (3) To be eligible for the aged, blind, or disabled assistance
24 program under subsection (1) of this section or the pregnant women
25 assistance program under subsection (2) of this section, a person must:

26 (a) Be a citizen or alien lawfully admitted for permanent residence
27 or otherwise residing in the United States under color of law;

28 (b) Meet the income and resource standards described in section
29 3(1) (d) and (e) of this act;

30 (c) Have furnished the department his or her social security
31 number. If the social security number cannot be furnished because it
32 has not been issued or is not known, an application for a number shall
33 be made prior to authorization of benefits, and the social security
34 number shall be provided to the department upon receipt;

35 (d) Not have refused or failed without good cause to participate in
36 drug or alcohol treatment if an assessment by a certified chemical
37 dependency counselor indicates a need for such treatment. Good cause
38 must be found to exist when a person's physical or mental condition, as

1 determined by the department, prevents the person from participating in
2 drug or alcohol dependency treatment, when needed outpatient drug or
3 alcohol treatment is not available to the person in the county of his
4 or her residence or when needed inpatient treatment is not available in
5 a location that is reasonably accessible for the person; and

6 (e) Not have refused or failed to cooperate in obtaining federal
7 aid assistance, without good cause.

8 (4) Effective November 1, 2011, referrals for essential needs and
9 housing support under RCW 43.185C.220 shall be provided to persons
10 found eligible under section 3 of this act.

11 (5) No person may be considered an eligible individual for benefits
12 under this section with respect to any month if during that month the
13 person:

14 (a) Is fleeing to avoid prosecution of, or to avoid custody or
15 confinement for conviction of, a felony, or an attempt to commit a
16 felony, under the laws of the state of Washington or the place from
17 which the person flees; or

18 (b) Is violating a condition of probation, community supervision,
19 or parole imposed under federal or state law for a felony or gross
20 misdemeanor conviction.

21 NEW SECTION. **Sec. 3.** A new section is added to chapter 74.04 RCW
22 to read as follows:

23 (1) The department is responsible for determining eligibility for
24 referral for essential needs and housing support under RCW 43.185C.220.
25 Persons eligible are persons who:

26 (a) Are incapacitated from gainful employment by reason of bodily
27 or mental infirmity that will likely continue for a minimum of ninety
28 days. The standard for incapacity in this subsection, as evidenced by
29 the ninety-day duration standard, is not intended to be as stringent as
30 federal supplemental security income disability standards;

31 (b) Are citizens or aliens lawfully admitted for permanent
32 residence or otherwise residing in the United States under color of
33 law;

34 (c) Have furnished the department their social security number. If
35 the social security number cannot be furnished because it has not been
36 issued or is not known, an application for a number must be made prior

1 to authorization of benefits, and the social security number must be
2 provided to the department upon receipt;

3 (d) Have countable income as described in RCW 74.04.005 at or below
4 four hundred twenty-eight dollars for a married couple or at or below
5 three hundred thirty-nine dollars for a single individual;

6 (e) Do not have countable resources in excess of those described in
7 RCW 74.04.005; and

8 (f) Are not eligible for:

9 (i) The aged, blind, or disabled assistance program;

10 (ii) The pregnant women assistance program; or

11 (iii) Federal aid assistance, other than basic food benefits
12 transferred electronically and medical assistance.

13 (2) The following persons are not eligible for a referral for
14 essential needs and housing support:

15 (a) Persons who are unemployable due primarily to alcohol or drug
16 addiction, except as provided in subsection (3) of this subsection.
17 These persons must be referred to appropriate assessment, treatment,
18 shelter, or supplemental security income referral services as
19 authorized under chapter 74.50 RCW. Referrals must be made at the time
20 of application or at the time of eligibility review. This subsection
21 may not be construed to prohibit the department from making a referral
22 for essential needs and housing report for persons who have a substance
23 abuse addiction who are incapacitated due to other physical or mental
24 conditions that meet the eligibility criteria for a referral for
25 essential needs and housing support.

26 (b) Persons who refuse or fail to cooperate in obtaining federal
27 aid assistance, without good cause;

28 (c) Persons who refuse or fail without good cause to participate in
29 drug or alcohol treatment if an assessment by a certified chemical
30 dependency counselor indicates a need for such treatment. Good cause
31 must be found to exist when a person's physical or mental condition, as
32 determined by the department, prevents the person from participating in
33 drug or alcohol dependency treatment, when needed outpatient drug or
34 alcohol treatment is not available to the person in the county of his
35 or her residence or when needed inpatient treatment is not available in
36 a location that is reasonably accessible for the person; and

37 (d) Persons who are fleeing to avoid prosecution of, or to avoid
38 custody or confinement for conviction of, a felony, or an attempt to

1 commit a felony, under the laws of the state of Washington or the place
2 from which the person flees; or who are violating a condition of
3 probation, community supervision, or parole imposed under federal or
4 state law for a felony or gross misdemeanor conviction.

5 (3) For purposes of determining whether a person is incapacitated
6 from gainful employment under subsection (1) of this section:

7 (a) The department shall adopt by rule medical criteria for
8 incapacity determinations to ensure that eligibility decisions are
9 consistent with statutory requirements and are based on clear,
10 objective medical information; and

11 (b) The process implementing the medical criteria must involve
12 consideration of opinions of the treating or consulting physicians or
13 health care professionals regarding incapacity, and any eligibility
14 decision which rejects uncontroverted medical opinion must set forth
15 clear and convincing reasons for doing so.

16 (4) For purposes of reviewing a person's continuing eligibility and
17 in order to remain eligible for the program, persons who have been
18 found to have an incapacity from gainful employment must demonstrate
19 that there has been no material improvement in their medical or mental
20 health condition. The department may discontinue benefits when there
21 was specific error in the prior determination that found the person
22 eligible by reason of incapacitation.

23 (5) The department must review the cases of all persons who have
24 received benefits under the essential needs and housing support program
25 for twelve consecutive months, and at least annually after the first
26 review, to determine whether they are eligible for the aged, blind, or
27 disabled assistance program.

28 **Sec. 4.** RCW 43.185C.220 and 2011 1st sp.s. c 36 s 4 are each
29 amended to read as follows:

30 (1) The department shall distribute funds for the essential needs
31 and housing support program established under this section in a manner
32 consistent with the requirements of this section and the biennial
33 operating budget. The first distribution of funds must be completed by
34 September 1, 2011. Essential needs or housing support is only for
35 persons found eligible for such services under ~~((RCW 74.62.030(4)))~~
36 section 3 of this act and is not considered an entitlement.

1 (2) The department shall distribute funds appropriated for the
2 essential needs and housing support program in the form of grants to
3 designated essential needs support and housing support entities within
4 each county. The department shall not distribute any funds until it
5 approves the expenditure plan submitted by the designated essential
6 needs support and housing support entities. The amount of funds to be
7 distributed pursuant to this section shall be designated in the
8 biennial operating budget. For the sole purpose of meeting the initial
9 distribution of funds date, the department may distribute partial funds
10 upon the department's approval of a preliminary expenditure plan. The
11 department shall not distribute the remaining funds until it has
12 approved a final expenditure plan.

13 (3)(a) During the 2011-2013 biennium, in awarding housing support
14 that is not funded through the contingency fund in this subsection, the
15 designated housing support entity shall provide housing support to
16 clients who are homeless persons as defined in RCW 43.185C.010. As
17 provided in the biennial operating budget for the 2011-2013 biennium,
18 a contingency fund shall be used solely for those clients who are at
19 substantial risk of losing stable housing or at substantial risk of
20 losing one of the other services defined in RCW 74.62.010(6). For
21 purposes of this chapter, "substantial risk" means the client has
22 provided documentation that he or she will lose his or her housing
23 within the next thirty days or that the services will be discontinued
24 within the next thirty days.

25 (b) After July 1, 2013, the designated housing support entity shall
26 give first priority to clients who are homeless persons as defined in
27 RCW 43.185C.010 and second priority to clients who would be at
28 substantial risk of losing stable housing without housing support.

29 (4) For each county, the department shall designate an essential
30 needs support entity and a housing support entity that will begin
31 providing these supports to medical care services program recipients on
32 November 1, 2011. Essential needs and housing support entities are not
33 required to provide assistance to every (~~medical-care-services~~
34 ~~recipient that is~~) person referred to the local entity or who meets
35 the priority standards in subsection (3) of this section.

36 (a) Each designated entity must be a local government or
37 community-based organization, and may administer the funding for
38 essential needs support, housing support, or both. Designated entities

1 have the authority to subcontract with qualified entities. Upon
2 request, and the approval of the department, two or more counties may
3 combine resources to more effectively deliver services.

4 (b) The department's designation process must include a review of
5 proficiency in managing housing or human services programs when
6 designating housing support entities.

7 (c) Within a county, if the department directly awards separate
8 grants to the designated housing support entity and the designated
9 essential needs support entity, the department shall determine the
10 amount allocated for essential needs support as directed in the
11 biennial operating budget.

12 (5)(a) Essential needs and housing support entities must use funds
13 distributed under this section as flexibly as is practicable to provide
14 essential needs items and housing support to recipients of the
15 essential needs and housing support program, subject to the
16 requirements of this section.

17 (b) Benefits provided under the essential needs and housing support
18 program shall not be provided to recipients in the form of cash
19 assistance.

20 (c) The appropriations by the legislature for the purposes of the
21 essential needs and housing support program established under this
22 section shall be based on forecasted program caseloads. The caseload
23 forecast council shall provide a courtesy forecast of the (~~medical~~
24 ~~care—services—recipient~~) population eligible for a referral for
25 essential needs and housing support that is homeless or is included in
26 reporting under subsection (7)(c)(iii) of this section. The department
27 may move funds between entities or between counties to reflect actual
28 caseload changes. In doing so, the department must: (i) Develop a
29 process for reviewing the caseload of designated essential needs and
30 housing support entities, and for redistributing grant funds from those
31 entities experiencing reduced actual caseloads to those with increased
32 actual caseloads; and (ii) inform all designated entities of the
33 redistribution process. Savings resulting from program caseload
34 attrition from the essential needs and housing support program shall
35 not result in increased per-client expenditures.

36 (d) Essential needs and housing support entities must partner with
37 other public and private organizations to maximize the beneficial
38 impact of funds distributed under this section, and should attempt to

1 leverage other sources of public and private funds to serve essential
2 needs and housing support recipients. Funds appropriated in the
3 operating budget for essential needs and housing support must be used
4 only to serve persons eligible to receive services under that program.

5 (6) The department shall use no more than five percent of the funds
6 for administration of the essential needs and housing support program.
7 Each essential needs and housing support entity shall use no more than
8 seven percent of the funds for administrative expenses.

9 (7) The department shall:

10 (a) Require housing support entities to enter data into the
11 homeless client management information system;

12 (b) Require essential needs support entities to report on services
13 provided under this section;

14 (c) In collaboration with the department of social and health
15 services, submit a report annually to the relevant policy and fiscal
16 committees of the legislature. A preliminary report shall be submitted
17 by December 31, 2011, and must include (c)(i), (iii), and (v) of this
18 subsection. Annual reports must be submitted beginning December 1,
19 2012, and must include:

20 (i) A description of the actions the department has taken to
21 achieve the objectives of chapter 36, Laws of 2011 1st sp. sess.;

22 (ii) The amount of funds used by the department to administer the
23 program;

24 (iii) Information on the housing status of essential needs and
25 housing support recipients served by housing support entities, and
26 individuals who have requested housing support but did not receive
27 housing support;

28 (iv) Grantee expenditure data related to administration and
29 services provided under this section; and

30 (v) Efforts made to partner with other entities and leverage
31 sources or public and private funds;

32 (d) Review the data submitted by the designated entities, and make
33 recommendations for program improvements and administrative
34 efficiencies. The department has the authority to designate
35 alternative entities as necessary due to performance or other
36 significant issues. Such change must only be made after consultation
37 with the department of social and health services and the impacted
38 entity.

1 (8) The department, counties, and essential needs and housing
2 support entities are not civilly or criminally liable and may not have
3 any penalty or cause of action of any nature arise against them related
4 to decisions regarding: (a) The provision or lack of provision of
5 housing or essential needs support; or (b) the type of housing
6 arrangement supported with funds allocated under this section, when the
7 decision was made in good faith and in the performance of the powers
8 and duties under this section. However, this section does not prohibit
9 legal actions against the department, county, or essential needs or
10 housing support entity to enforce contractual duties or obligations.

11 **Sec. 5.** RCW 43.185C.230 and 2011 1st sp.s. c 36 s 5 are each
12 amended to read as follows:

13 The department, in collaboration with the department of social and
14 health services, shall develop a mechanism through which the department
15 and local governments or community-based organizations can verify a
16 person has been determined eligible by the department of social and
17 health services and remains eligible for (~~medical care services under~~
18 ~~RCW 74.09.035 by the department of social and health services~~) the
19 essential needs and housing support program.

20 **Sec. 6.** RCW 74.09.510 and 2011 1st sp.s. c 36 s 9 and 2011 1st
21 sp.s. c 15 s 25 are each reenacted and amended to read as follows:

22 Medical assistance may be provided in accordance with eligibility
23 requirements established by the authority, as defined in the social
24 security Title XIX state plan for mandatory categorically needy persons
25 and:

26 (1) Individuals who would be eligible for cash assistance except
27 for their institutional status;

28 (2) Individuals who are under twenty-one years of age, who would be
29 eligible for medicaid, but do not qualify as dependent children and who
30 are in (a) foster care, (b) subsidized adoption, (c) a nursing facility
31 or an intermediate care facility for persons with intellectual
32 disabilities, or (d) inpatient psychiatric facilities;

33 (3) Individuals who:

34 (a) Are under twenty-one years of age;

35 (b) On or after July 22, 2007, were in foster care under the legal

1 responsibility of the department or a federally recognized tribe
2 located within the state; and

3 (c) On their eighteenth birthday, were in foster care under the
4 legal responsibility of the department or a federally recognized tribe
5 located within the state;

6 (4) Persons who are aged, blind, or disabled who: (a) Receive only
7 a state supplement, or (b) would not be eligible for cash assistance if
8 they were not institutionalized;

9 (5) Categorically eligible individuals who meet the income and
10 resource requirements of the cash assistance programs;

11 (6) Individuals who are enrolled in managed health care systems,
12 who have otherwise lost eligibility for medical assistance, but who
13 have not completed a current six-month enrollment in a managed health
14 care system, and who are eligible for federal financial participation
15 under Title XIX of the social security act;

16 (7) Children and pregnant women allowed by federal statute for whom
17 funding is appropriated;

18 (8) Working individuals with disabilities authorized under section
19 1902(a)(10)(A)(ii) of the social security act for whom funding is
20 appropriated;

21 (9) Other individuals eligible for medical services under ((RCW
22 ~~74.09.035—based—on—age,—blindness,—or—disability—and—income—and~~
23 ~~resources—standards—for—medical—care—services—and~~)) RCW 74.09.700 for
24 whom federal financial participation is available under Title XIX of
25 the social security act;

26 (10) Persons allowed by section 1931 of the social security act for
27 whom funding is appropriated; and

28 (11) Women who: (a) Are under sixty-five years of age; (b) have
29 been screened for breast and cervical cancer under the national breast
30 and cervical cancer early detection program administered by the
31 department of health or tribal entity and have been identified as
32 needing treatment for breast or cervical cancer; and (c) are not
33 otherwise covered by health insurance. Medical assistance provided
34 under this subsection is limited to the period during which the woman
35 requires treatment for breast or cervical cancer, and is subject to any
36 conditions or limitations specified in the omnibus appropriations act.

1 **Sec. 7.** RCW 74.09.035 and 2011 1st sp.s. c 36 s 6 and 2011 1st
2 sp.s. c 15 s 3 are each reenacted and amended to read as follows:

3 (1) To the extent of available funds, medical care services may be
4 provided to:

5 (a) ~~((Persons who:~~

6 ~~(i) Are incapacitated from gainful employment by reason of bodily
7 or mental infirmity that will likely continue for a minimum of ninety
8 days as determined by the department. The standard for incapacity in
9 this subsection, as evidenced by the ninety day duration standard, is
10 not intended to be as stringent as federal supplemental security income
11 disability standards;~~

12 ~~(ii) Are citizens or aliens lawfully admitted for permanent
13 residence or otherwise residing in the United States under color of
14 law;~~

15 ~~(iii) Have furnished the department their social security number.
16 If the social security number cannot be furnished because it has not
17 been issued or is not known, an application for a number shall be made
18 prior to authorization of benefits, and the social security number
19 shall be provided to the department upon receipt;~~

20 ~~(iv) Have countable income as described in RCW 74.04.005 at or
21 below four hundred twenty eight dollars for a married couple or at or
22 below three hundred thirty nine dollars for a single individual; and~~

23 ~~(v) Do not have countable resources in excess of those described in
24 RCW 74.04.005.~~

25 ~~(b)) Persons eligible for the aged, blind, or disabled assistance
26 program authorized in RCW 74.62.030 and who are not eligible for
27 medicaid under RCW 74.09.510; and~~

28 (b) Persons eligible for essential needs and housing support under
29 section 3 of this act and who are not eligible for medicaid under RCW
30 74.09.510.

31 ~~((c) Persons eligible for alcohol and drug addiction services
32 provided under chapter 74.50 RCW, in accordance with medical
33 eligibility requirements established by the department.~~

34 ~~(d) The following persons are not eligible for medical care
35 services:~~

36 ~~(i) Persons who are unemployable due primarily to alcohol or drug
37 addiction, except as provided in (c) of this subsection. These persons
38 shall be referred to appropriate assessment, treatment, shelter, or~~

1 ~~supplemental security income referral services as authorized under~~
2 ~~chapter 74.50 RCW. Referrals shall be made at the time of application~~
3 ~~or at the time of eligibility review. This subsection shall not be~~
4 ~~construed to prohibit the department from granting medical care~~
5 ~~services benefits to alcoholics and drug addicts who are incapacitated~~
6 ~~due to other physical or mental conditions that meet the eligibility~~
7 ~~criteria for medical care services;~~

8 ~~(ii) Persons who refuse or fail to cooperate in obtaining federal~~
9 ~~aid assistance, without good cause;~~

10 ~~(iii) Persons who refuse or fail without good cause to participate~~
11 ~~in drug or alcohol treatment if an assessment by a certified chemical~~
12 ~~dependency counselor indicates a need for such treatment. Good cause~~
13 ~~must be found to exist when a person's physical or mental condition, as~~
14 ~~determined by the department, prevents the person from participating in~~
15 ~~drug or alcohol dependency treatment, when needed outpatient drug or~~
16 ~~alcohol treatment is not available to the person in the county of his~~
17 ~~or her residence or when needed inpatient treatment is not available in~~
18 ~~a location that is reasonably accessible for the person; and~~

19 ~~(iv) Persons who are fleeing to avoid prosecution of, or to avoid~~
20 ~~custody or confinement for conviction of, a felony, or an attempt to~~
21 ~~commit a felony, under the laws of the state of Washington or the place~~
22 ~~from which the person flees; or who are violating a condition of~~
23 ~~probation, community supervision, or parole imposed under federal or~~
24 ~~state law for a felony or gross misdemeanor conviction.~~

25 ~~(e) For purposes of determining whether a person is incapacitated~~
26 ~~from gainful employment under (a) of this subsection:~~

27 ~~(i) The department shall adopt by rule medical criteria for~~
28 ~~incapacity determinations to ensure that eligibility decisions are~~
29 ~~consistent with statutory requirements and are based on clear,~~
30 ~~objective medical information; and~~

31 ~~(ii) The process implementing the medical criteria shall involve~~
32 ~~consideration of opinions of the treating or consulting physicians or~~
33 ~~health care professionals regarding incapacity, and any eligibility~~
34 ~~decision which rejects uncontroverted medical opinion must set forth~~
35 ~~clear and convincing reasons for doing so.~~

36 ~~(f) For purposes of reviewing a person's continuing eligibility and~~
37 ~~in order to remain eligible for the program, persons who have been~~
38 ~~found to have an incapacity from gainful employment must demonstrate~~

1 ~~that there has been no material improvement in their medical or mental~~
2 ~~health condition. The department may discontinue benefits when there~~
3 ~~was specific error in the prior determination that found the person~~
4 ~~eligible by reason of incapacitation.))~~

5 (2) Enrollment in medical care services may not result in
6 expenditures that exceed the amount that has been appropriated in the
7 operating budget. If it appears that continued enrollment will result
8 in expenditures exceeding the appropriated level for a particular
9 fiscal year, the department may freeze new enrollment and establish a
10 waiting list of persons who may receive benefits only when sufficient
11 funds are available.

12 (3) Determination of the amount, scope, and duration of medical
13 care services shall be limited to coverage as defined by the authority,
14 except that adult dental, and routine foot care shall not be included
15 unless there is a specific appropriation for these services.

16 (4) The authority shall enter into performance-based contracts with
17 one or more managed health care systems for the provision of medical
18 care services under this section. The contract must provide for
19 integrated delivery of medical and mental health services.

20 (5) The authority shall establish standards of assistance and
21 resource and income exemptions, which may include deductibles and co-
22 insurance provisions. In addition, the authority may include a
23 prohibition against the voluntary assignment of property or cash for
24 the purpose of qualifying for assistance.

25 (6) ~~((Residents of skilled nursing homes, intermediate care~~
26 ~~facilities, and intermediate care facilities for persons with~~
27 ~~intellectual disabilities, as that term is described by federal law,~~
28 ~~who are eligible for medical care services shall be provided medical~~
29 ~~services to the same extent as provided to those persons eligible under~~
30 ~~the medical assistance program.~~

31 ~~(7))~~ Eligibility for medical care services shall commence with the
32 date of ~~((certification for medical care services, date of))~~
33 eligibility for the aged, blind, or disabled assistance program
34 provided under RCW 74.62.030~~((7))~~ or the date ~~((or))~~ of eligibility for
35 ~~((alcohol and drug addiction services provided under chapter 74.50~~
36 ~~RCW))~~ the essential needs and housing support program under section 3
37 of this act.

1 **Sec. 8.** RCW 74.09.010 and 2011 1st sp.s. c 15 s 2 and 2011 c 316
2 s 2 are each reenacted and amended to read as follows:

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

5 (1) "Authority" means the Washington state health care authority.

6 (2) "Children's health program" means the health care services
7 program provided to children under eighteen years of age and in
8 households with incomes at or below the federal poverty level as
9 annually defined by the federal department of health and human services
10 as adjusted for family size, and who are not otherwise eligible for
11 medical assistance or the limited casualty program for the medically
12 needy.

13 (3) "Chronic care management" means the health care management
14 within a health home of persons identified with, or at high risk for,
15 one or more chronic conditions. Effective chronic care management:

16 (a) Actively assists patients to acquire self-care skills to
17 improve functioning and health outcomes, and slow the progression of
18 disease or disability;

19 (b) Employs evidence-based clinical practices;

20 (c) Coordinates care across health care settings and providers,
21 including tracking referrals;

22 (d) Provides ready access to behavioral health services that are,
23 to the extent possible, integrated with primary care; and

24 (e) Uses appropriate community resources to support individual
25 patients and families in managing chronic conditions.

26 (4) "Chronic condition" means a prolonged condition and includes,
27 but is not limited to:

28 (a) A mental health condition;

29 (b) A substance use disorder;

30 (c) Asthma;

31 (d) Diabetes;

32 (e) Heart disease; and

33 (f) Being overweight, as evidenced by a body mass index over
34 twenty-five.

35 (5) "County" means the board of county commissioners, county
36 council, county executive, or tribal jurisdiction, or its designee.

37 (6) "Department" means the department of social and health
38 services.

1 (7) "Department of health" means the Washington state department of
2 health created pursuant to RCW 43.70.020.

3 (8) "Director" means the director of the Washington state health
4 care authority.

5 (9) "Full benefit dual eligible beneficiary" means an individual
6 who, for any month: Has coverage for the month under a medicare
7 prescription drug plan or medicare advantage plan with part D coverage;
8 and is determined eligible by the state for full medicaid benefits for
9 the month under any eligibility category in the state's medicaid plan
10 or a section 1115 demonstration waiver that provides pharmacy benefits.

11 (10) "Health home" or "primary care health home" means coordinated
12 health care provided by a licensed primary care provider coordinating
13 all medical care services, and a multidisciplinary health care team
14 comprised of clinical and nonclinical staff. The term "coordinating
15 all medical care services" shall not be construed to require prior
16 authorization by a primary care provider in order for a patient to
17 receive treatment for covered services by an optometrist licensed under
18 chapter 18.53 RCW. Primary care health home services shall include
19 those services defined as health home services in 42 U.S.C. Sec. 1396w-
20 4 and, in addition, may include, but are not limited to:

21 (a) Comprehensive care management including, but not limited to,
22 chronic care treatment and management;

23 (b) Extended hours of service;

24 (c) Multiple ways for patients to communicate with the team,
25 including electronically and by phone;

26 (d) Education of patients on self-care, prevention, and health
27 promotion, including the use of patient decision aids;

28 (e) Coordinating and assuring smooth transitions and follow-up from
29 inpatient to other settings;

30 (f) Individual and family support including authorized
31 representatives;

32 (g) The use of information technology to link services, track
33 tests, generate patient registries, and provide clinical data; and

34 (h) Ongoing performance reporting and quality improvement.

35 (11) "Internal management" means the administration of medical
36 assistance, medical care services, the children's health program, and
37 the limited casualty program.

1 (12) "Limited casualty program" means the medical care program
2 provided to medically needy persons as defined under Title XIX of the
3 federal social security act, and to medically indigent persons who are
4 without income or resources sufficient to secure necessary medical
5 services.

6 (13) "Medical assistance" means the federal aid medical care
7 program provided to categorically needy persons as defined under Title
8 XIX of the federal social security act.

9 (14) "Medical care services" means the limited scope of care
10 financed by state funds and provided to ~~((disability lifeline benefits~~
11 ~~recipients, and recipients of alcohol and drug addiction services~~
12 ~~provided under chapter 74.50 RCW))~~ persons who are not eligible for
13 medicaid under RCW 74.09.510 and who are eligible for the aged, blind,
14 or disabled assistance program authorized in RCW 74.62.030 or the
15 essential needs and housing support program pursuant to section 3 of
16 this act.

17 (15) "Multidisciplinary health care team" means an
18 interdisciplinary team of health professionals which may include, but
19 is not limited to, medical specialists, nurses, pharmacists,
20 nutritionists, dieticians, social workers, behavioral and mental health
21 providers including substance use disorder prevention and treatment
22 providers, doctors of chiropractic, physical therapists, licensed
23 complementary and alternative medicine practitioners, home care and
24 other long-term care providers, and physicians' assistants.

25 (16) "Nursing home" means nursing home as defined in RCW 18.51.010.

26 (17) "Poverty" means the federal poverty level determined annually
27 by the United States department of health and human services, or
28 successor agency.

29 (18) "Primary care provider" means a general practice physician,
30 family practitioner, internist, pediatrician, osteopath, naturopath,
31 physician assistant, osteopathic physician assistant, and advanced
32 registered nurse practitioner licensed under Title 18 RCW.

33 (19) "Secretary" means the secretary of social and health services.

34 NEW SECTION. Sec. 9. Except for section 2 of this act, this act
35 takes effect January 1, 2014.

1 NEW SECTION. **Sec. 10.** Section 2 of this act takes effect July 1,
2 2015.

Passed by the House June 28, 2013.

Passed by the Senate June 28, 2013.

Approved by the Governor June 30, 2013.

Filed in Office of Secretary of State July 1, 2013.