

# SENATE BILL REPORT

## 2SHB 1941

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As of February 23, 2024

**Title:** An act relating to providing for health home services for medicaid-eligible children with medically complex conditions.

**Brief Description:** Providing for health home services for medicaid-eligible children with medically complex conditions.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Couture, Schmidt, Reed, Graham, Barnard, Kloba, Cheney, Riccelli, Pollet, Griffey and Jacobsen).

**Brief History:** Passed House: 2/12/24, 97-0.

**Committee Activity:** Health & Long Term Care: 2/20/24, 2/20/24 [DP-WM].

Ways & Means: 2/23/24.

### Brief Summary of Bill

- Requires the Health Care Authority to submit a state plan amendment to allow Medicaid-eligible children with medically complex conditions to voluntarily enroll in Health Home by January 1, 2025.

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### SENATE COMMITTEE ON HEALTH & LONG TERM CARE

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Cleveland, Chair; Robinson, Vice Chair; Muzzall, Assistant Ranking Member; Conway, Dhingra, Holy, Padden, Randall and Van De Wege.

**Staff:** Julie Tran (786-7283)

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### SENATE COMMITTEE ON WAYS & MEANS

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

**Staff:** Sandy Stith (786-7710)

**Background:** Medicaid State Plan. Medicaid is a program funded jointly by states and the federal government that provides health coverage to a variety of populations including eligible low-income adults, children, pregnant women, elderly adults, and people with disabilities. Medicaid is administered by states, according to federal requirements. Federal law sets broad requirements for the program and mandates coverage of some populations and benefits, while leaving others optional. States then make operational and policy decisions that determine who is eligible for enrollment, which services are covered, and how payments are set.

Each state specifies the nature and scope of its Medicaid program through a state plan that must be submitted and approved by the federal Centers for Medicare and Medicaid Services (CMS) in order for the state to access federal Medicaid funds. The state plan can be amended as needed to reflect changes in state policy and federal law and regulation through state plan amendments (SPAs). In implementing a state's Medicaid program, states are required to comply with Medicaid requirements for statewideness, service comparability, and freedom of choice unless the state has received a waiver of these provisions through CMS.

Medicaid Health Home Benefit for Children With Medically Complex Conditions. The Medicaid Services Investment and Accountability Act of 2019 authorized states to cover an optional Health Home state plan benefit for Medicaid-eligible children with medically complex conditions. Beginning October 1, 2022, states were able to offer the new Health Home services benefit for children with medically complex conditions, which includes providing access to the full range of pediatric specialty and subspecialty medical services, person-centered care management, care coordination, and patient and family support, including services from out-of-state providers, as medically necessary. States with an approved Medicaid SPA to cover the new Health Home benefit will receive a 15 percentage point increase in federal matching for their expenditures on Health Home services during the first two fiscal year quarters that the SPA is in effect.

**Summary of Bill:** By January 1, 2025, the Health Care Authority (HCA) must submit a SPA to CMS to allow Medicaid-eligible children with medically complex conditions to voluntarily enroll in Health Home as provided in the Medicaid Services Investment and Accountability Act of 2019.

**Appropriation:** The bill contains a null and void clause requiring specific funding be provided in an omnibus appropriation act.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony (Health & Long Term Care):** PRO: The United States Congress passed the Advancing Care for Exceptional Kids Act in 2019 and creates a new state Medicaid option to provide coordinated care for Medicaid-eligible children with medically complex conditions through health homes that are more responsive to the needs of this population than traditional health homes as care involves multiple providers and services across various specialties and healthcare settings. Eligible states can receive a federal Medicaid match to help stand up the program, which adds up to improving the health and well-being of children with complex care needs while decreasing Medicaid spending through reducing unnecessary and avoidable care. For patients and children with chronic or complex issues, timely access to care is critical to maximizing potential and minimizing burden. There is no current system to help families coordinate the services needed for these patients. This program is designed for the sickest kids in the state, but it also impacts families and assists them in navigating a complex healthcare system and the care coordination. The enhanced services make the care for the children feel more comprehensive, effective, and simple even as the children's healthcare needs and the size of their team grows. This program aims to reduce length of hospital stays and the number of visits to the emergency room and improves the care for these children. There are concerns about the current fiscal note as it estimates approximately 43,000 kids would be eligible for these resources, but it is probably closer to 5000.

**Persons Testifying (Health & Long Term Care):** PRO: Representative Travis Couture, Prime Sponsor; Michelle Hagerstrom, MultiCare Health System; Valerie Higginbotham, Providence.

**Persons Signed In To Testify But Not Testifying (Health & Long Term Care):** No one.

**Staff Summary of Public Testimony (Ways & Means):** None.

**Persons Testifying (Ways & Means):** No one.

**Persons Signed In To Testify But Not Testifying (Ways & Means):** No one.