

**SHB 1392 - H AMD 159**

By Representative Schmick

**WITHDRAWN 03/20/2025**

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** The definitions in this section apply  
4 throughout this chapter unless the context clearly requires  
5 otherwise.

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

7 (2) "Covered lives" means all persons residing in Washington  
8 state who are covered by a medicaid managed care organization.

9 (3) "Medicaid managed care organization" means a managed health  
10 care system under contract with the state of Washington to provide  
11 services to medicaid enrollees under RCW 74.09.522.

12 NEW SECTION. **Sec. 2.** (1) By September 1, 2025, the authority  
13 shall submit any state plan amendments or waiver requests to the  
14 centers for medicare and medicaid services that are necessary to  
15 implement the medicaid access program established in section 5 of  
16 this act.

17 (2) The assessment, collection, and disbursement of funds for  
18 this program shall be conditional upon:

19 (a) Final approval by the centers for medicare and medicaid  
20 services of any state plan amendments or waiver requests that are  
21 necessary in order to implement the applicable sections of this  
22 chapter including, if necessary, waiver of the broad-based or  
23 uniformity requirements as specified under section 1903(w)(3)(E) of  
24 the federal social security act and 42 C.F.R. Sec. 433.68(e);

25 (b) To the extent necessary, amendment of contracts between the  
26 authority and managed care organizations to implement this chapter;  
27 and

28 (c) Certification by the office of financial management that  
29 appropriations have been adopted that fully support the rates  
30 established in section 3 of this act for the upcoming fiscal year.

1        NEW SECTION.

2        **Sec. 3.**

3        (1) All medicaid managed care  
4 organizations shall pay an annual covered lives assessment beginning  
5 January 1st of the plan year following the approval in section  
6 2(2) (a) of this act as follows:

7        (a) For assessments due the first plan year, the authority shall  
8 assess a per member per month assessment of \$18 per covered life for  
9 medicaid managed care organizations.

10        (b) On or before May 15th of the first plan year of assessments  
11 due and on or before May 15th of each subsequent year, the authority  
12 shall determine the covered lives assessment at the rate necessary to  
13 fund the professional services rate increases in section 5 of this  
14 act.

15        (2) The assessments as applied in subsection (1) of this section  
16 are limited to the first 3,000,000 member months of fully insured  
17 lives per medicaid managed care organization on a per medicaid  
18 managed care organization basis.

19        (3) If an assessment against a medicaid managed care organization  
20 is prohibited by court order, the assessment for the remaining  
21 medicaid managed care organizations may be adjusted in a manner  
22 consistent with subsection (1) of this section to ensure that the  
23 assessment amount calculated in subsection (1)(b) of this section  
24 will be collected.

25        (4) The authority shall annually notify, in writing, each  
26 medicaid managed care organization of the estimated total assessment  
27 and its payment obligation for the upcoming year. The authority shall  
28 determine a payment schedule for receipt of assessments under this  
29 section in accordance with the medicaid access program rules as  
30 defined by the authority. Payment collections may be made no more  
31 frequently than quarterly.

32        (5) Payments from managed care organizations are due to the  
33 authority within 45 days of the payment schedule determined under  
34 subsection (4) of this section. The authority shall charge interest  
35 as defined by RCW 43.17.240, which begins to accrue on the 46th day,  
36 on amounts received after the 45-day period. The authority may allow  
37 each managed care organization in arrears to submit a payment plan,  
38 subject to approval by the authority and initial payment under an  
39 approved payment plan.

40        (6) The authority may abate or defer, in whole or in part, the  
assessment of a managed care organization if, in the opinion of the  
authority, payment of the assessment would endanger the ability of

1 the managed care organization to fulfill its contractual obligations  
2 under chapter 74.09 RCW. If an assessment against a managed care  
3 organization is abated or deferred in whole or in part, the amount by  
4 which such assessment is abated or deferred may be assessed against  
5 the other managed care organizations in a manner consistent with the  
6 basis for assessments in subsection (1) of this section. The managed  
7 care organization receiving such abatement or deferment remains  
8 liable to the program for the deficiency plus interest the rate  
9 established in RCW 43.17.240. Upon receipt of payment of any  
10 abatement or deferment by a managed care organization, the authority  
11 shall adjust future assessments made against other managed care  
12 organizations under this subsection to reflect receipt of the  
13 payment.

14 (7) The authority shall deposit annual assessments and interest  
15 collected under this section with the state treasurer to the credit  
16 of the medicaid access program account created in section 4 of this  
17 act.

18 (8) Managed care organizations shall submit any annual statements  
19 or other reports deemed necessary by the authority to calculate the  
20 assessment under this section in a manner consistent with the  
21 schedule and procedures in accordance with the medicaid access  
22 program rules as defined by the authority.

23 NEW SECTION. **Sec. 4.** (1) The medicaid access program account is  
24 created in the state treasury. All receipts from the assessments,  
25 interest, and penalties collected by the authority under section 3 of  
26 this act must be deposited into the account. Moneys in the account  
27 may be spent only after appropriation. Expenditures from the account  
28 may be used only for the administration and implementation of the  
29 medicaid access program as established in section 5 of this act.

30 (2) Disbursements from the account may be made only:

31 (a) To make payments to health care providers and managed care  
32 organizations;

33 (b) To medicaid managed care organizations to fund the nonfederal  
34 share of increased capitation payments based on their projected  
35 assessment obligation established by the medicaid access program and  
36 the medicaid managed care rate setting process;

37 (c) To refund erroneous or excessive payments made by medicaid  
38 managed care organizations;

1 (d) To pay for administrative expenses incurred by the authority  
2 in performing the activities authorized by this chapter;

3 (e) To be used in lieu of state general fund payments for  
4 medicaid services in the amount of \$35,991,000 in fiscal year 2027;

5 (f) To repay the federal government for any excess payments made  
6 to health care providers from the account if the assessments or  
7 payment increases set forth by the medicaid access program are deemed  
8 out of compliance with federal statutes and regulations in a final  
9 determination by a court of competent jurisdiction with all appeals  
10 exhausted. In such a case, the authority may require health care  
11 providers receiving excess payments to refund the payments in  
12 question to the account. The state in turn shall return funds to the  
13 federal government in the same proportion as the original financing.  
14 If a health care provider is unable to refund payments, the state  
15 shall develop either a payment plan, deduct moneys from future  
16 medicaid payments, or both; and

17 (g) To pay for administrative and service-related costs to expand  
18 medicaid access in schools by maximizing medicaid funding  
19 opportunities to support the school-based health services program,  
20 school-based health clinics, and on-site behavioral health services.

21 NEW SECTION. **Sec. 5.** (1) The purpose of the medicaid access  
22 program is to increase, beginning January 1st of the second plan year  
23 after the conditions of section 2 of this act are met, subject to  
24 available funds and appropriations from the medicaid access program  
25 account, professional services rates covered by medicaid including  
26 fee-for-service and managed care up to the corresponding medicare  
27 rates as of December 31, 2024, for the same service and site of  
28 service. Rates for subsequent years shall be annually adjusted based  
29 on the inflation factor using the medicare economic index.

30 (2) The service categories for the professional services rate  
31 increases must include anesthesia, diagnostics, intense outpatient,  
32 opioid treatment programs, emergency room, inpatient and outpatient  
33 surgery, inpatient visits, low-level behavioral health, maternity  
34 services, office and home visits, consults, office administered  
35 drugs, and other physician services. If sufficient funds are not  
36 available to increase medicaid rates to corresponding medicare rates,  
37 the authority may increase medicaid rates to a percentage of  
38 corresponding medicare rates, applied uniformly across professional  
39 service categories included in this subsection.

1 (3) (a) Beginning January 1st of the third plan year after the  
2 conditions of section 2 of this act are met and by January 1st in  
3 each of the two subsequent plan years, the authority shall study the  
4 impact of the professional services rate increases described in this  
5 section on medicaid access. The authority shall provide information  
6 to fiscal and health committees of the legislature whether these rate  
7 increases have increased access for medicaid enrollees, using metrics  
8 including but not limited to:

9 (i) Increases in utilization of services from licensed health  
10 care providers;

11 (ii) Number of contracts with identifiable provider types  
12 enrolled to provide services to medicaid enrollees;

13 (iii) Patient access measures in the CAHPS health plan surveys of  
14 managed care organizations; and

15 (iv) Other external quality review metrics.

16 (b) The authority shall provide the information in a fashion that  
17 disaggregates managed care organizations and fee-for-service.

18 NEW SECTION. **Sec. 6.** Nothing in this act shall be construed to  
19 alter the requirements: (1) Under 42 C.F.R. Sec. 438.4 that the rates  
20 paid by the state to managed care organizations be actuarially sound;  
21 and (2) that the state develop the rates in compliance with standards  
22 under 42 C.F.R. Sec. 438.5.

23 NEW SECTION. **Sec. 7.** The authority may adopt rules and  
24 undertake actions necessary to carry out sections 2, 3, and 5 of this  
25 act including, but not limited to, rules prescribing the medicaid  
26 access program plan of operations, measures to enforce reporting of  
27 covered lives, audits of covered lives reporting, and payment of  
28 applicable assessments.

29 NEW SECTION. **Sec. 8.** The medicaid access program and medicaid  
30 managed care organizations assessed by the program, the authority,  
31 and employees of the authority are not civilly or criminally liable  
32 and may not have any penalty or cause of action of any nature arise  
33 against them for any action or inaction, including any discretionary  
34 decision or failure to make a discretionary decision, when the action  
35 or inaction is done in good faith and in the performance of the  
36 powers and duties assigned to the program. This section does not

1 prohibit legal actions against the program to enforce the program's  
2 statutory or contractual duties or obligations.

3 **Sec. 9.** RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12 are  
4 each reenacted and amended to read as follows:

5 (1) All earnings of investments of surplus balances in the state  
6 treasury shall be deposited to the treasury income account, which  
7 account is hereby established in the state treasury.

8 (2) The treasury income account shall be utilized to pay or  
9 receive funds associated with federal programs as required by the  
10 federal cash management improvement act of 1990. The treasury income  
11 account is subject in all respects to chapter 43.88 RCW, but no  
12 appropriation is required for refunds or allocations of interest  
13 earnings required by the cash management improvement act. Refunds of  
14 interest to the federal treasury required under the cash management  
15 improvement act fall under RCW 43.88.180 and shall not require  
16 appropriation. The office of financial management shall determine the  
17 amounts due to or from the federal government pursuant to the cash  
18 management improvement act. The office of financial management may  
19 direct transfers of funds between accounts as deemed necessary to  
20 implement the provisions of the cash management improvement act, and  
21 this subsection. Refunds or allocations shall occur prior to the  
22 distributions of earnings set forth in subsection (4) of this  
23 section.

24 (3) Except for the provisions of RCW 43.84.160, the treasury  
25 income account may be utilized for the payment of purchased banking  
26 services on behalf of treasury funds including, but not limited to,  
27 depository, safekeeping, and disbursement functions for the state  
28 treasury and affected state agencies. The treasury income account is  
29 subject in all respects to chapter 43.88 RCW, but no appropriation is  
30 required for payments to financial institutions. Payments shall occur  
31 prior to distribution of earnings set forth in subsection (4) of this  
32 section.

33 (4) Monthly, the state treasurer shall distribute the earnings  
34 credited to the treasury income account. The state treasurer shall  
35 credit the general fund with all the earnings credited to the  
36 treasury income account except:

37 (a) The following accounts and funds shall receive their  
38 proportionate share of earnings based upon each account's and fund's  
39 average daily balance for the period: The abandoned recreational

1 vehicle disposal account, the aeronautics account, the Alaskan Way  
2 viaduct replacement project account, the ambulance transport fund,  
3 the budget stabilization account, the capital vessel replacement  
4 account, the capitol building construction account, the Central  
5 Washington University capital projects account, the charitable,  
6 educational, penal and reformatory institutions account, the Chehalis  
7 basin account, the Chehalis basin taxable account, the clean fuels  
8 credit account, the clean fuels transportation investment account,  
9 the cleanup settlement account, the climate active transportation  
10 account, the climate transit programs account, the Columbia river  
11 basin water supply development account, the Columbia river basin  
12 taxable bond water supply development account, the Columbia river  
13 basin water supply revenue recovery account, the common school  
14 construction fund, the community forest trust account, the connecting  
15 Washington account, the county arterial preservation account, the  
16 county criminal justice assistance account, the covenant  
17 homeownership account, the deferred compensation administrative  
18 account, the deferred compensation principal account, the department  
19 of licensing services account, the department of retirement systems  
20 expense account, the developmental disabilities community services  
21 account, the diesel idle reduction account, the opioid abatement  
22 settlement account, the drinking water assistance account, the  
23 administrative subaccount of the drinking water assistance account,  
24 the early learning facilities development account, the early learning  
25 facilities revolving account, the Eastern Washington University  
26 capital projects account, the education construction fund, the  
27 education legacy trust account, the election account, the electric  
28 vehicle account, the energy freedom account, the energy recovery act  
29 account, the essential rail assistance account, The Evergreen State  
30 College capital projects account, the fair start for kids account,  
31 the family medicine workforce development account, the ferry bond  
32 retirement fund, the fish, wildlife, and conservation account, the  
33 freight mobility investment account, the freight mobility multimodal  
34 account, the grade crossing protective fund, the higher education  
35 retirement plan supplemental benefit fund, the Washington student  
36 loan account, the highway bond retirement fund, the highway  
37 infrastructure account, the highway safety fund, the hospital safety  
38 net assessment fund, the Interstate 5 bridge replacement project  
39 account, the Interstate 405 and state route number 167 express toll  
40 lanes account, the judges' retirement account, the judicial

1 retirement administrative account, the judicial retirement principal  
2 account, the limited fish and wildlife account, the local leasehold  
3 excise tax account, the local real estate excise tax account, the  
4 local sales and use tax account, the marine resources stewardship  
5 trust account, the medical aid account, the money-purchase retirement  
6 savings administrative account, the money-purchase retirement savings  
7 principal account, the motor vehicle fund, the motorcycle safety  
8 education account, the move ahead WA account, the move ahead WA  
9 flexible account, the multimodal transportation account, the multiuse  
10 roadway safety account, the municipal criminal justice assistance  
11 account, the oyster reserve land account, the pension funding  
12 stabilization account, the perpetual surveillance and maintenance  
13 account, the pilotage account, the pollution liability insurance  
14 agency underground storage tank revolving account, the medicaid  
15 access program account, the public employees' retirement system plan  
16 1 account, the public employees' retirement system combined plan 2  
17 and plan 3 account, the public facilities construction loan revolving  
18 account, the public health supplemental account, the public works  
19 assistance account, the Puget Sound capital construction account, the  
20 Puget Sound ferry operations account, the Puget Sound Gateway  
21 facility account, the Puget Sound taxpayer accountability account,  
22 the real estate appraiser commission account, the recreational  
23 vehicle account, the regional mobility grant program account, the  
24 reserve officers' relief and pension principal fund, the resource  
25 management cost account, the rural arterial trust account, the rural  
26 mobility grant program account, the rural Washington loan fund, the  
27 second injury fund, the sexual assault prevention and response  
28 account, the site closure account, the skilled nursing facility  
29 safety net trust fund, the small city pavement and sidewalk account,  
30 the special category C account, the special wildlife account, the  
31 state hazard mitigation revolving loan account, the state investment  
32 board expense account, the state investment board commingled trust  
33 fund accounts, the state patrol highway account, the state  
34 reclamation revolving account, the state route number 520 civil  
35 penalties account, the state route number 520 corridor account, the  
36 statewide broadband account, the statewide tourism marketing account,  
37 the supplemental pension account, the Tacoma Narrows toll bridge  
38 account, the teachers' retirement system plan 1 account, the  
39 teachers' retirement system combined plan 2 and plan 3 account, the  
40 tobacco prevention and control account, the tobacco settlement



1 account, the toll facility bond retirement account, the  
2 transportation 2003 account (nickel account), the transportation  
3 equipment fund, the JUDY transportation future funding program  
4 account, the transportation improvement account, the transportation  
5 improvement board bond retirement account, the transportation  
6 infrastructure account, the transportation partnership account, the  
7 traumatic brain injury account, the tribal opioid prevention and  
8 treatment account, the University of Washington bond retirement fund,  
9 the University of Washington building account, the voluntary cleanup  
10 account, the volunteer firefighters' relief and pension principal  
11 fund, the volunteer firefighters' and reserve officers'  
12 administrative fund, the vulnerable roadway user education account,  
13 the Washington judicial retirement system account, the Washington law  
14 enforcement officers' and firefighters' system plan 1 retirement  
15 account, the Washington law enforcement officers' and firefighters'  
16 system plan 2 retirement account, the Washington public safety  
17 employees' plan 2 retirement account, the Washington school  
18 employees' retirement system combined plan 2 and 3 account, the  
19 Washington state patrol retirement account, the Washington State  
20 University building account, the Washington State University bond  
21 retirement fund, the water pollution control revolving administration  
22 account, the water pollution control revolving fund, the Western  
23 Washington University capital projects account, the Yakima integrated  
24 plan implementation account, the Yakima integrated plan  
25 implementation revenue recovery account, and the Yakima integrated  
26 plan implementation taxable bond account. Earnings derived from  
27 investing balances of the agricultural permanent fund, the normal  
28 school permanent fund, the permanent common school fund, the  
29 scientific permanent fund, and the state university permanent fund  
30 shall be allocated to their respective beneficiary accounts.

31 (b) Any state agency that has independent authority over accounts  
32 or funds not statutorily required to be held in the state treasury  
33 that deposits funds into a fund or account in the state treasury  
34 pursuant to an agreement with the office of the state treasurer shall  
35 receive its proportionate share of earnings based upon each account's  
36 or fund's average daily balance for the period.

37 (5) In conformance with Article II, section 37 of the state  
38 Constitution, no treasury accounts or funds shall be allocated  
39 earnings without the specific affirmative directive of this section.

1       **Sec. 10.** RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13  
2 are each reenacted and amended to read as follows:

3       (1) All earnings of investments of surplus balances in the state  
4 treasury shall be deposited to the treasury income account, which  
5 account is hereby established in the state treasury.

6       (2) The treasury income account shall be utilized to pay or  
7 receive funds associated with federal programs as required by the  
8 federal cash management improvement act of 1990. The treasury income  
9 account is subject in all respects to chapter 43.88 RCW, but no  
10 appropriation is required for refunds or allocations of interest  
11 earnings required by the cash management improvement act. Refunds of  
12 interest to the federal treasury required under the cash management  
13 improvement act fall under RCW 43.88.180 and shall not require  
14 appropriation. The office of financial management shall determine the  
15 amounts due to or from the federal government pursuant to the cash  
16 management improvement act. The office of financial management may  
17 direct transfers of funds between accounts as deemed necessary to  
18 implement the provisions of the cash management improvement act, and  
19 this subsection. Refunds or allocations shall occur prior to the  
20 distributions of earnings set forth in subsection (4) of this  
21 section.

22       (3) Except for the provisions of RCW 43.84.160, the treasury  
23 income account may be utilized for the payment of purchased banking  
24 services on behalf of treasury funds including, but not limited to,  
25 depository, safekeeping, and disbursement functions for the state  
26 treasury and affected state agencies. The treasury income account is  
27 subject in all respects to chapter 43.88 RCW, but no appropriation is  
28 required for payments to financial institutions. Payments shall occur  
29 prior to distribution of earnings set forth in subsection (4) of this  
30 section.

31       (4) Monthly, the state treasurer shall distribute the earnings  
32 credited to the treasury income account. The state treasurer shall  
33 credit the general fund with all the earnings credited to the  
34 treasury income account except:

35       (a) The following accounts and funds shall receive their  
36 proportionate share of earnings based upon each account's and fund's  
37 average daily balance for the period: The abandoned recreational  
38 vehicle disposal account, the aeronautics account, the Alaskan Way  
39 viaduct replacement project account, the budget stabilization  
40 account, the capital vessel replacement account, the capitol building

1 construction account, the Central Washington University capital  
2 projects account, the charitable, educational, penal and reformatory  
3 institutions account, the Chehalis basin account, the Chehalis basin  
4 taxable account, the clean fuels credit account, the clean fuels  
5 transportation investment account, the cleanup settlement account,  
6 the climate active transportation account, the climate transit  
7 programs account, the Columbia river basin water supply development  
8 account, the Columbia river basin taxable bond water supply  
9 development account, the Columbia river basin water supply revenue  
10 recovery account, the common school construction fund, the community  
11 forest trust account, the connecting Washington account, the county  
12 arterial preservation account, the county criminal justice assistance  
13 account, the covenant homeownership account, the deferred  
14 compensation administrative account, the deferred compensation  
15 principal account, the department of licensing services account, the  
16 department of retirement systems expense account, the developmental  
17 disabilities community services account, the diesel idle reduction  
18 account, the opioid abatement settlement account, the drinking water  
19 assistance account, the administrative subaccount of the drinking  
20 water assistance account, the early learning facilities development  
21 account, the early learning facilities revolving account, the Eastern  
22 Washington University capital projects account, the education  
23 construction fund, the education legacy trust account, the election  
24 account, the electric vehicle account, the energy freedom account,  
25 the energy recovery act account, the essential rail assistance  
26 account, The Evergreen State College capital projects account, the  
27 fair start for kids account, the family medicine workforce  
28 development account, the ferry bond retirement fund, the fish,  
29 wildlife, and conservation account, the freight mobility investment  
30 account, the freight mobility multimodal account, the grade crossing  
31 protective fund, the higher education retirement plan supplemental  
32 benefit fund, the Washington student loan account, the highway bond  
33 retirement fund, the highway infrastructure account, the highway  
34 safety fund, the hospital safety net assessment fund, the Interstate  
35 5 bridge replacement project account, the Interstate 405 and state  
36 route number 167 express toll lanes account, the judges' retirement  
37 account, the judicial retirement administrative account, the judicial  
38 retirement principal account, the limited fish and wildlife account,  
39 the local leasehold excise tax account, the local real estate excise  
40 tax account, the local sales and use tax account, the marine

1 resources stewardship trust account, the medical aid account, the  
2 money-purchase retirement savings administrative account, the money-  
3 purchase retirement savings principal account, the motor vehicle  
4 fund, the motorcycle safety education account, the move ahead WA  
5 account, the move ahead WA flexible account, the multimodal  
6 transportation account, the multiuse roadway safety account, the  
7 municipal criminal justice assistance account, the oyster reserve  
8 land account, the pension funding stabilization account, the  
9 perpetual surveillance and maintenance account, the pilotage account,  
10 the pollution liability insurance agency underground storage tank  
11 revolving account, the medicaid access program account, the public  
12 employees' retirement system plan 1 account, the public employees'  
13 retirement system combined plan 2 and plan 3 account, the public  
14 facilities construction loan revolving account, the public health  
15 supplemental account, the public works assistance account, the Puget  
16 Sound capital construction account, the Puget Sound ferry operations  
17 account, the Puget Sound Gateway facility account, the Puget Sound  
18 taxpayer accountability account, the real estate appraiser commission  
19 account, the recreational vehicle account, the regional mobility  
20 grant program account, the reserve officers' relief and pension  
21 principal fund, the resource management cost account, the rural  
22 arterial trust account, the rural mobility grant program account, the  
23 rural Washington loan fund, the second injury fund, the sexual  
24 assault prevention and response account, the site closure account,  
25 the skilled nursing facility safety net trust fund, the small city  
26 pavement and sidewalk account, the special category C account, the  
27 special wildlife account, the state hazard mitigation revolving loan  
28 account, the state investment board expense account, the state  
29 investment board commingled trust fund accounts, the state patrol  
30 highway account, the state reclamation revolving account, the state  
31 route number 520 civil penalties account, the state route number 520  
32 corridor account, the statewide broadband account, the statewide  
33 tourism marketing account, the supplemental pension account, the  
34 Tacoma Narrows toll bridge account, the teachers' retirement system  
35 plan 1 account, the teachers' retirement system combined plan 2 and  
36 plan 3 account, the tobacco prevention and control account, the  
37 tobacco settlement account, the toll facility bond retirement  
38 account, the transportation 2003 account (nickel account), the  
39 transportation equipment fund, the JUDY transportation future funding  
40 program account, the transportation improvement account, the

1 transportation improvement board bond retirement account, the  
2 transportation infrastructure account, the transportation partnership  
3 account, the traumatic brain injury account, the tribal opioid  
4 prevention and treatment account, the University of Washington bond  
5 retirement fund, the University of Washington building account, the  
6 voluntary cleanup account, the volunteer firefighters' relief and  
7 pension principal fund, the volunteer firefighters' and reserve  
8 officers' administrative fund, the vulnerable roadway user education  
9 account, the Washington judicial retirement system account, the  
10 Washington law enforcement officers' and firefighters' system plan 1  
11 retirement account, the Washington law enforcement officers' and  
12 firefighters' system plan 2 retirement account, the Washington public  
13 safety employees' plan 2 retirement account, the Washington school  
14 employees' retirement system combined plan 2 and 3 account, the  
15 Washington state patrol retirement account, the Washington State  
16 University building account, the Washington State University bond  
17 retirement fund, the water pollution control revolving administration  
18 account, the water pollution control revolving fund, the Western  
19 Washington University capital projects account, the Yakima integrated  
20 plan implementation account, the Yakima integrated plan  
21 implementation revenue recovery account, and the Yakima integrated  
22 plan implementation taxable bond account. Earnings derived from  
23 investing balances of the agricultural permanent fund, the normal  
24 school permanent fund, the permanent common school fund, the  
25 scientific permanent fund, and the state university permanent fund  
26 shall be allocated to their respective beneficiary accounts.

27 (b) Any state agency that has independent authority over accounts  
28 or funds not statutorily required to be held in the state treasury  
29 that deposits funds into a fund or account in the state treasury  
30 pursuant to an agreement with the office of the state treasurer shall  
31 receive its proportionate share of earnings based upon each account's  
32 or fund's average daily balance for the period.

33 (5) In conformance with Article II, section 37 of the state  
34 Constitution, no treasury accounts or funds shall be allocated  
35 earnings without the specific affirmative directive of this section.

36 NEW SECTION. **Sec. 11.** Sections 1 through 8 of this act  
37 constitute a new chapter in Title 74 RCW.

1        NEW SECTION.    **Sec. 12.**    The provisions of this act are not  
2 severable. In the event that any portion of this act shall have been  
3 validly implemented and the entire act is later rendered ineffective,  
4 prior assessments and payments under the validly implemented portions  
5 shall not be affected.

6        NEW SECTION.    **Sec. 13.**    Sections 1 through 9, 11, 12, 14, 15, and  
7 17 of this act are necessary for the immediate preservation of the  
8 public peace, health, or safety, or support of the state government  
9 and its existing public institutions, and take effect immediately.

10       NEW SECTION.    **Sec. 14.**    (1) This act expires if by January 1,  
11 2027, the federal centers for medicare and medicaid services does not  
12 provide final approval of the state plan amendment or waiver requests  
13 under section 2 of this act.

14       (2) The authority must provide written notice of the expiration  
15 date in subsection (1) of this section to affected parties, the chief  
16 clerk of the house of representatives, the secretary of the senate,  
17 the office of the code reviser, and other as deemed appropriate by  
18 the authority.

19       NEW SECTION.    **Sec. 15.**    Section 9 of this act expires July 1,  
20 2028.

21       NEW SECTION.    **Sec. 16.**    Section 10 of this act takes effect July  
22 1, 2028.

23       NEW SECTION.    **Sec. 17.**    If specific funding for the purposes of  
24 this act, referencing this act by bill or chapter number, is not  
25 provided by June 30, 2025, in the omnibus appropriations act, this  
26 act is null and void."

27       Correct the title.

EFFECT: Removes the requirement for the Office of the Insurance  
Commissioner to assess a per member per month assessment of \$0.50 per  
covered life for health carriers.

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