

SHB 1392 - S COMM AMD  
By Committee on Ways & Means

ADOPTED AS AMENDED 04/14/2025

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 and chapter 48.--- RCW (the new chapter  
5 created in section 15 of this act) unless the context clearly  
6 requires otherwise.

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

8 (2) "Commissioner" means the insurance commissioner or his or her  
9 designee.

10 (3) "Covered lives" means all persons residing in Washington  
11 state who are covered:

12 (a) Under a fully insured individual or group health plan issued  
13 or delivered in Washington state; or

14 (b) By a medicaid managed care organization.

15 (4) "Health carrier" or "carrier" has the same meaning as defined  
16 in RCW 48.43.005.

17 (5) "Health plan" has the same meaning as defined in RCW  
18 48.43.005 and does not include medicare advantage plans established  
19 under medicare part C or outpatient prescription drug plans  
20 established under medicare part D.

21 (6) "Medicaid managed care organization" means a managed health  
22 care system under contract with the state of Washington to provide  
23 services to medicaid enrollees under RCW 74.09.522.

24 NEW SECTION. **Sec. 2.** (1) By September 1, 2025, the authority  
25 shall submit any state plan amendments or waiver requests to the  
26 centers for medicare and medicaid services that are necessary to  
27 implement the medicaid access program established in section 6 of  
28 this act.

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

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

7 (b) To the extent necessary, amendment of contracts between the  
8 authority and managed care organizations to implement this chapter;  
9 and

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

13 NEW SECTION. **Sec. 3.** (1) All health carriers and medicaid  
14 managed care organizations shall pay an annual covered lives  
15 assessment beginning January 1st of the plan year following the  
16 approval in section 2(2)(a) of this act as follows:

17 (a) For assessments due the first plan year:

18 (i) The authority shall assess a per member per month assessment  
19 of \$18 per covered life for medicaid managed care organizations; and

20 (ii) The commissioner shall assess a per member per month  
21 assessment of \$0.50 per covered life for health carriers.

22 (b) On or before May 15th of the first plan year of assessments  
23 due and on or before May 15th of each subsequent year, the authority  
24 shall determine the covered lives assessment at the rate necessary to  
25 fund the adjustment based on the inflation factor using the medicare  
26 economic index for professional services rates in section 6 of this  
27 act.

28 (c) The ratio of the total assessments collected from managed  
29 care organizations and health carriers must be set as 36 to one,  
30 respectively. Assessments for each calendar year shall be set  
31 utilizing the proportion of fully insured to medicaid managed care  
32 covered lives from the previous calendar year.

33 (2) The assessments as applied in subsection (1) of this section  
34 are limited to:

35 (a) The first 3,000,000 member months of fully insured lives per  
36 medicaid managed care organization on a per medicaid managed care  
37 organization basis; and

38 (b) The first 3,000,000 member months of fully insured lives per  
39 health carrier. For each health carrier, the assessment shall apply

1 to member months of all group health plan lives first, followed by  
2 member months of individual health plans lives.

3 (3) If an assessment against a health carrier or medicaid managed  
4 care organization is prohibited by court order, the assessment for  
5 the remaining health carriers and medicaid managed care organizations  
6 may be adjusted in a manner consistent with subsection (1) of this  
7 section to ensure that the assessment amount calculated in subsection  
8 (1)(b) of this section will be collected.

9 (4) The authority shall annually notify, in writing, each  
10 medicaid managed care organization of the estimated total assessment  
11 and its payment obligation for the upcoming year. The authority shall  
12 determine a payment schedule for receipt of assessments under this  
13 section in accordance with the medicaid access program rules as  
14 defined by the authority. Payment collections may be made no more  
15 frequently than quarterly.

16 (5) Payments from managed care organizations are due to the  
17 authority within 45 days of the payment schedule determined under  
18 subsection (4) of this section. The authority shall charge interest  
19 as defined by RCW 43.17.240, which begins to accrue on the 46th day,  
20 on amounts received after the 45-day period. The authority may allow  
21 each managed care organization in arrears to submit a payment plan,  
22 subject to approval by the authority and initial payment under an  
23 approved payment plan.

24 (6) The authority may abate or defer, in whole or in part, the  
25 assessment of a managed care organization if, in the opinion of the  
26 authority, payment of the assessment would endanger the ability of  
27 the managed care organization to fulfill its contractual obligations  
28 under chapter 74.09 RCW. If an assessment against a managed care  
29 organization is abated or deferred in whole or in part, the amount by  
30 which such assessment is abated or deferred may be assessed against  
31 the other managed care organizations in a manner consistent with the  
32 basis for assessments in subsection (1) of this section. The managed  
33 care organization receiving such abatement or deferment remains  
34 liable to the program for the deficiency plus interest the rate  
35 established in RCW 43.17.240. Upon receipt of payment of any  
36 abatement or deferment by a managed care organization, the authority  
37 shall adjust future assessments made against other managed care  
38 organizations under this subsection to reflect receipt of the  
39 payment.

1 (7) The authority shall deposit annual assessments and interest  
2 collected under this section with the state treasurer to the credit  
3 of the medicaid access program account created in section 5 of this  
4 act.

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

10 NEW SECTION. **Sec. 4.** (1) All health carriers and medicaid  
11 managed care organizations shall pay an annual covered lives  
12 assessment under section 3 of this act.

13 (2) The commissioner shall assess a per member per month  
14 assessment for health carriers pursuant to section 3 of this act.

15 (3) The commissioner shall annually notify, in writing, each  
16 health carrier of the estimated total assessment and its payment  
17 obligation for the upcoming year. The commissioner shall determine a  
18 payment schedule for receipt of assessments under this section in  
19 accordance with the medicaid access program rules established by the  
20 authority. Payment collections may be made no more frequently than  
21 quarterly.

22 (4) Payments from health carriers are due to the commissioner  
23 within 45 days of the payment schedule determined under subsection  
24 (3) of this section. The commissioner shall charge interest as  
25 defined by RCW 43.17.240, which begins to accrue on the 46th day, on  
26 amounts received after the 45-day period. The commissioner may allow  
27 each health carrier in arrears to submit a payment plan, subject to  
28 approval by the commissioner and initial payment under an approved  
29 payment plan.

30 (5) The commissioner shall deposit annual assessments and  
31 interest collected under this section with the state treasurer to the  
32 credit of the medicaid access program account created in section 5 of  
33 this act.

34 (6) Health carriers shall submit any annual statements or other  
35 reports deemed necessary by the commissioner for the health care  
36 authority to calculate the assessment in a manner consistent with the  
37 schedule and procedures in accordance with section 3 of this act.

1        NEW SECTION.    **Sec. 5.**    (1) The medicaid access program account is  
2 created in the state treasury. All receipts from the assessments,  
3 interest, and penalties collected by the authority and commissioner  
4 under sections 3 and 4 of this act must be deposited into the  
5 account. Moneys in the account may be spent only after appropriation.  
6 Expenditures from the account may be used only for the administration  
7 and implementation of the medicaid access program as established in  
8 section 6 of this act.

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

10        (a) To make payments to health care providers and managed care  
11 organizations;

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

16        (c) To refund erroneous or excessive payments made by health  
17 carriers and medicaid managed care organizations;

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

20        (e) To be used in lieu of state general fund payments for  
21 medicaid services in the amount of \$35,991,000 in the first fiscal  
22 year following the approval in section 2(2)(a) of this act and  
23 assessment by the authority authorized in section 3(1)(a)(i) of this  
24 act;

25        (f) To repay the federal government for any excess payments made  
26 to health care providers from the account if the assessments or  
27 payment increases set forth by the medicaid access program are deemed  
28 out of compliance with federal statutes and regulations in a final  
29 determination by a court of competent jurisdiction with all appeals  
30 exhausted. In such a case, the authority may require health care  
31 providers receiving excess payments to refund the payments in  
32 question to the account. The state in turn shall return funds to the  
33 federal government in the same proportion as the original financing.  
34 If a health care provider is unable to refund payments, the state  
35 shall develop either a payment plan, deduct moneys from future  
36 medicaid payments, or both; and

37        (g) To pay up to \$2,000,000 for administrative and service-  
38 related costs to expand medicaid access in schools by maximizing  
39 medicaid funding opportunities to support the school-based health

1 services program, school-based health centers, and on-site behavioral  
2 health services.

3 NEW SECTION. **Sec. 6.** (1) The purpose of the medicaid access  
4 program is to increase, beginning January 1st of the second plan year  
5 after the conditions of section 2 of this act are met, subject to  
6 available funds and appropriations from the medicaid access program  
7 account, professional services rates covered by medicaid including  
8 fee-for-service and managed care up to the corresponding medicare  
9 rates as of December 31, 2024, for the same service and site of  
10 service. Rates for subsequent years shall be annually adjusted based  
11 on the inflation factor using the medicare economic index.

12 (2) The service categories for the professional services rate  
13 increases must include anesthesia, diagnostics, intense outpatient,  
14 opioid treatment programs, emergency room, inpatient and outpatient  
15 surgery, inpatient visits, low-level behavioral health, maternity  
16 services, office and home visits, consults, office administered  
17 drugs, and other physician services. If sufficient funds are not  
18 available to increase medicaid rates to corresponding medicare rates,  
19 the authority may increase medicaid rates to a percentage of  
20 corresponding medicare rates, applied uniformly across professional  
21 service categories included in this subsection.

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

30 (i) Increases in utilization of services from licensed health  
31 care providers;

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

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

36 (iv) Other external quality review metrics.

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

1        NEW SECTION.    **Sec. 7.** Nothing in this act shall be construed to  
2 alter the requirements: (1) Under 42 C.F.R. Sec. 438.4 that the rates  
3 paid by the state to managed care organizations be actuarially sound;  
4 and (2) that the state develop the rates in compliance with standards  
5 under 42 C.F.R. Sec. 438.5.

6        NEW SECTION.    **Sec. 8.** The authority may adopt rules and  
7 undertake actions necessary to carry out sections 2, 3, and 6 of this  
8 act including, but not limited to, rules prescribing the medicaid  
9 access program plan of operations, measures to enforce reporting of  
10 covered lives, audits of covered lives reporting, and payment of  
11 applicable assessments.

12       NEW SECTION.    **Sec. 9.** The commissioner may adopt rules and  
13 undertake actions necessary to carry out section 4 of this act  
14 including, but not limited to, rules prescribing the medicaid access  
15 program plan of operations, measures to enforce reporting of covered  
16 lives, audits of covered lives reporting, and payment of applicable  
17 assessments.

18       NEW SECTION.    **Sec. 10.** The medicaid access program, health  
19 carriers and medicaid managed care organizations assessed by the  
20 program, the authority, and employees of the authority are not  
21 civilly or criminally liable and may not have any penalty or cause of  
22 action of any nature arise against them for any action or inaction,  
23 including any discretionary decision or failure to make a  
24 discretionary decision, when the action or inaction is done in good  
25 faith and in the performance of the powers and duties assigned to the  
26 program. This section does not prohibit legal actions against the  
27 program to enforce the program's statutory or contractual duties or  
28 obligations.

29       NEW SECTION.    **Sec. 11.** The medicaid access program, health  
30 carriers and medicaid managed care organizations assessed by the  
31 program, the commissioner, the commissioner's representatives, and  
32 the commissioner's employees are not civilly or criminally liable and  
33 may not have any penalty or cause of action of any nature arise  
34 against them for any action or inaction, including any discretionary  
35 decision or failure to make a discretionary decision, when the action  
36 or inaction is done in good faith and in the performance of the

1 powers and duties assigned to the program. This section does not  
2 prohibit legal actions against the program to enforce the program's  
3 statutory or contractual duties or obligations.

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

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

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

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

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

38 (a) The following accounts and funds shall receive their  
39 proportionate share of earnings based upon each account's and fund's



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

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

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

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

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

1       **Sec. 13.** 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. 14.** Sections 1 through 3, 5 through 8, and 10  
37 of this act constitute a new chapter in Title 74 RCW.

1        NEW SECTION.    **Sec. 15.**    Sections 4, 9, and 11 of this act  
2 constitute a new chapter in Title 48 RCW.

3        NEW SECTION.    **Sec. 16.**    The provisions of this act are not  
4 severable. In the event that any portion of this act shall have been  
5 validly implemented and the entire act is later rendered ineffective,  
6 prior assessments and payments under the validly implemented portions  
7 shall not be affected.

8        NEW SECTION.    **Sec. 17.**    Sections 1 through 12, 14 through 16, and  
9 18 through 20 of this act are necessary for the immediate  
10 preservation of the public peace, health, or safety, or support of  
11 the state government and its existing public institutions, and take  
12 effect immediately.

13        NEW SECTION.    **Sec. 18.**    (1) This act expires if by January 1,  
14 2027, the federal centers for medicare and medicaid services does not  
15 provide final approval of the state plan amendment or waiver requests  
16 under section 2 of this act.

17        (2) The Washington state health care authority must provide  
18 written notice of the expiration date in subsection (1) of this  
19 section to affected parties, the chief clerk of the house of  
20 representatives, the secretary of the senate, the office of the code  
21 reviser, and others as deemed appropriate by the authority.

22        NEW SECTION.    **Sec. 19.**    Section 12 of this act expires July 1,  
23 2028.

24        NEW SECTION.    **Sec. 20.**    Section 13 of this act takes effect July  
25 1, 2028.

26        NEW SECTION.    **Sec. 21.**    If specific funding for the purposes of  
27 this act, referencing this act by bill or chapter number, is not  
28 provided by June 30, 2025, in the omnibus appropriations act, this  
29 act is null and void."



**ADOPTED AS AMENDED 04/14/2025**

1        On page 1, line 1 of the title, after "program;" strike the  
2 remainder of the title and insert "reenacting and amending RCW  
3 43.84.092 and 43.84.092; adding a new chapter to Title 74 RCW; adding  
4 a new chapter to Title 48 RCW; creating new sections; providing an  
5 effective date; providing an expiration date; providing a contingent  
6 expiration date; and declaring an emergency."

EFFECT: (1) Clarifies that the increases to the covered lives assessment are based on the inflation factor using the Medicare economic index for professional rates.

(2) Allows funds from the Medicaid Access Payment Account to be used in lieu of general fund payments in the FY after the waiver or state plan amendment is approved and when the Health Care Authority has begun assessing managed care organizations.

(3) Dedicates \$2,000,000 from the Medicaid Access Program Account to administrative costs to support Medicaid access in schools.

(4) Corrects a technical error.

(5) Clarifies that the Health Care Authority must notify affected parties, the House of Representatives, the Senate, the Code Reviser, and others, as deemed appropriate, if a contingent expiration date takes effect.

(6) Removes a duplicative section.

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