

SENATE BILL REPORT

HB 2254

As Passed Senate, March 4, 2026

Title: An act relating to providing flexibility in the partnership access line assessment to cover administrative costs.

Brief Description: Providing flexibility in the partnership access line assessment to cover administrative costs.

Sponsors: Representatives Callan, Eslick, Reed, Zahn, Thomas, Ormsby, Macri, Fosse, Bergquist and Thai; by request of Health Care Authority.

Brief History: Passed House: 2/10/26, 96-0.

Committee Activity: Ways & Means: 2/19/26, 3/02/26 [DP].

Floor Activity: Passed Senate: 3/4/26, 49-0.

Brief Summary of Bill

- Allows reasonable costs for a third-party administrator to calculate and administer the assessments to be included in the proportional share calculation for the Partnership Access Line funding model.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Robinson, Chair; Stanford, Vice Chair, Operating; Trudeau, Vice Chair, Capital; Frame, Vice Chair, Finance; Gildon, Ranking Member, Operating; Torres, Assistant Ranking Member, Operating; Schoesler, Ranking Member, Capital; Dozier, Assistant Ranking Member, Capital; Boehnke, Braun, Cleveland, Conway, Dhingra, Hansen, Hasegawa, Kauffman, Muzzall, Pedersen, Riccelli, Saldaña, Wagoner, Warnick, Wellman and Wilson, C..

Staff: Sandy Stith (786-7710)

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.

Background: Partnership Access Line. The Partnership Access Line (PAL) is a phone consultation service for primary care providers to consult with a pediatric psychiatrist. Seattle Children's Hospital delivers PAL consultation services in affiliation with the University of Washington Department of Psychiatry and Behavioral Sciences (UW) through a contract with the Health Care Authority (HCA).

Partnership Access Line for Moms and Kids. The PAL for Moms pilot program provides consultation for health care professionals to assess and treat depression in pregnant women and new mothers.

Mental Health Referral Service for Children and Teens. The Mental Health Referral Service for Children and Teens program facilitates referrals to children's mental health services and other resources for parents and guardians.

Psychiatry Consultation Line. HCA, in collaboration with UW, implements the Psychiatry Consultation Line (PCL) to provide emergency department providers, primary care providers, and county and municipal correctional facility providers with on-demand access to psychiatric and substance use disorder clinical consultation for adult patients. The clinical consultation may occur via telemedicine.

First Approach Skills Training. The First Approach Skills Training (FAST) program provides brief, evidence-based behavioral therapy for youth and families with common mental health concerns, in settings such as primary care clinics or schools where longer-term treatment is not typically provided. For each FAST program, there is a two-page educational handout that can be given out as a first step in care, prior to referral for the clinician-guided intervention.

Partnership Access Line Funding Model. The funding model for the PAL, PCL, Mental Health Referral Service for Children and Teens, and FAST programs is as follows:

- HCA consults with UW and Seattle Children's Hospital to determine the annual costs of operating each program, including administrative costs;
- for each program, HCA must calculate the proportion of clients covered by Medicaid or state medical assistance programs based on data collected by UW and participating hospitals and the state must cover the cost for clients covered under Medicaid or state medical assistance programs; and
- HCA must collect a proportional share of program costs, excluding administrative costs, from each of the following entities that are not for covered lives under contract with HCA as Medicaid managed care organizations:
 1. health carriers;
 2. self-funded multiple employer welfare arrangements; and
 3. employers or other entities that provide health care in Washington, including self-funding entities or employee welfare benefit plans.

HCA may contract with a third-party administrator to calculate and administer the

assessments, which are deposited into the Telebehavioral Health Access Account to support telebehavioral health programs.

Summary of Bill: Reasonable costs for the third-party administrator to calculate and administer the assessments may be included in the proportional share calculation for the total assessment on health carriers; self-funded multiple employer welfare arrangements; and employers or other entities that provide health care in Washington, including self-funding entities or employee welfare benefit plans.

HCA's other administrative costs for these programs may not be included in the assessments.

Appropriation: None.

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: PRO: This is agency request legislation. It allows for flexibility in the PAL assessment. This passed unopposed in the House. Currently, HCA bears the cost. This moves administrative expenses to the assessment and costs an additional \$0.01. This is a technical solution that saves money. We request that the savings be reinvested in the program.

Persons Testifying: PRO: Shawn O'Neill, Health Care Authority (HCA); Dr. Evan Taniguchi, Seattle Children's.

Persons Signed In To Testify But Not Testifying: No one.