

SENATE BILL REPORT

SB 5128

As Reported by Senate Committee On:
Human Services, January 29, 2025

Title: An act relating to the provision of medical assistance to individuals in juvenile detention facilities.

Brief Description: Concerning the provision of medical assistance to individuals in juvenile detention facilities. [**Revised for 1st Substitute:** Concerning medical services for individuals in juvenile detention facilities.]

Sponsors: Senators Wilson, C., Hasegawa, Nobles, Saldaña, Valdez and Wellman.

Brief History:

Committee Activity: Human Services: 1/20/25, 1/29/25 [DPS, w/oRec].

Brief Summary of First Substitute Bill

- Clarifies that confinement facilities operated by the Department of Children, Youth, and Families are included in Medicaid suspension and reinstatement requirements.
- Clarifies that county juvenile detention facilities are not included in Medicaid suspension and reinstatement requirements.
- Requires the Health Care Authority to collaborate with certain entities to implement federal law requiring provision of certain services to eligible juveniles before and after release from confinement.

SENATE COMMITTEE ON HUMAN SERVICES

Majority Report: That Substitute Senate Bill No. 5128 be substituted therefor, and the substitute bill do pass.

Signed by Senators Wilson, C., Chair; Frame, Vice Chair; Orwall.

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.

Minority Report: That it be referred without recommendation.

Signed by Senators Christian, Ranking Member; Warnick.

Staff: Kelsey-anne Fung (786-7479)

Background: Suspension and Reinstatement of Medicaid Benefits. The Health Care Authority (HCA) provides medical care services to eligible low-income state residents and their families, primarily through the Medicaid program. The State Medicaid Plan is an agreement between the state and federal government controlling expenditures of Medicaid funds. Federal standards for the Medicaid program exclude payments for care or services for any person who is an inmate of a public institution, or patient at an institution for mental disease. Historically, HCA maintained a policy of allowing Medicaid status to remain unchanged up to 30 days while in confinement, after which point the person's Medicaid enrollment would be terminated.

State law requires HCA to suspend, rather than terminate, medical assistance for persons who have been incarcerated or committed to a state hospital, including other confinement settings in which federal financial participation is disallowed such as juvenile detention facilities, facilities operated by the Department of Children, Youth, and Families (DCYF), and other treatment facilities. A person who was not enrolled in medical assistance prior to confinement must be able to apply for medical assistance in suspense status during confinement, regardless if the person's release date is known. Medical assistance may be reinstated prior to the day of release as long as no federal funds are spent for purposes not authorized by the federal government.

Medicaid Waivers. Section 1115 of the Social Security Act gives the secretary of the Department of Health and Human Services authority to grant waivers from certain Medicaid requirements to allow states to demonstrate innovative approaches in their Medicaid programs. In 2018, Congress enacted the SUPPORT for Patients and Communities Act, which required the secretary to provide guidance on how states may apply for a section 1115 Medicaid waiver allowing them to provide Medicaid services to otherwise eligible persons, including juveniles, who are within 30 days of expected release from incarceration.

In 2021, state legislation was passed requiring HCA to apply for a waiver to allow the state to provide medical services to persons confined in a correctional institution, including juvenile detention centers and facilities operated by DCYF, state hospital, or other treatment facility for up to 30 days prior to the person's release or discharge for the purpose of creating continuity of care and providing reentry services. The legislation also requires HCA to convene a reentry services work group to advise on the waiver, and directs HCA to collaborate with certain agencies and entities to establish procedures for coordination between HCA and confinement facilities that result in prompt reinstatement of eligibility and speedy eligibility determinations upon release from confinement.

In June 2023, Washington State's section 1115 waiver was approved by the federal

government, allowing coverage of certain prerelease services for Medicaid eligible individuals in confinement settings up to 90 days before their release. This is known as HCA's Reentry Initiative, and HCA is currently working with carceral facilities on implementation. HCA requires participating facilities to support three targeted prerelease services: case management, medications for alcohol and opioid use disorder, and provision of a 30-day supply of medications and medical supplies at release. Optional services include medications during the prerelease period, lab and radiology, services by community health workers with lived experience, and physical and behavioral clinical consultations.

State legislation also passed in 2021 prohibiting the suspension of a person's Medicaid enrollment until after incarceration in a correctional institution for 30 days or more.

Medicaid Services for Juveniles. The federal Consolidated Appropriations Act (CAA) of 2023 includes two provisions impacting the availability of certain state plan services for eligible incarcerated youth in Medicaid and the Children's Health Insurance Program (CHIP). Under section 5121 of the CAA, states must establish an internal operational plan by January 1, 2025, to:

- provide medically necessary screening and diagnostic services in the 30 days prior to release, or not later than one week, or as soon as practical after release; and
- provide targeted case management services, including assessment, development of a care plan, referrals, monitoring, and follow-up to appropriate care and services available in the geographic area of the home residence or community, in the 30 days prior to release and for at least 30 days following release.

Under section 5122, states have the option to provide Medicaid and CHIP coverage to eligible juveniles who are being held pending disposition of charges.

Summary of Bill (First Substitute): Suspension and Reinstatement of Medicaid Benefits.

Requirements related to medical assistance suspension and reinstatement for individuals in confinement settings apply to persons confined in institutions or facilities operated by DCYF. These requirements do not apply to individuals confined in a county juvenile detention facility. State law prohibiting suspension of a person's Medicaid enrollment until after incarceration in a correctional institution for 30 days or more applies to persons confined in an institution or facility operated by DCYF, but does not apply to persons confined in a county juvenile detention facility. References to correctional institution are replaced with correctional facility to include state adult correctional facilities and local jails.

Medicaid Services for Juveniles. HCA must collaborate with managed care organizations, the reentry services work group, DCYF, and juvenile detention facilities to implement section 5121 of the CAA that requires provision of:

- screening and diagnostic services to eligible juveniles in the 30 days prior to release, or not later than one week or as soon as practicable after release; and
- targeted case management services for a minimum of 30 days prior to release and for at least 30 days or as medically necessary following release to connect juveniles with

services and providers in the geographic area where the eligible juvenile will be residing upon release, when possible.

HCA must leverage existing resources, development plans, and funding as part of its other medical assistance programs, including the section 1115 waiver approved by the federal government on June 30, 2023.

By December 1, 2025, HCA must submit a report to the Governor and the Legislature on:

- the status of HCA's operational plan to implement section 5121 of the CAA; and
- a summary of HCA's collaboration efforts with managed care organizations, DCYF, and juvenile detention facilities, and identification of any barriers or challenges to providing services to eligible juveniles across the state.

Requirements related to implementation and reporting on the CAA expire July 1, 2026.

A federal severability clause is included.

EFFECT OF CHANGES MADE BY HUMAN SERVICES COMMITTEE (First Substitute):

- Removes the requirement to suspend or reinstate Medicaid for persons confined in county juvenile detention facilities and removes references to detention facilities.
- Changes references from correctional institution to correctional facility to include state adult correctional facilities and local jails.
- Makes conforming and technical changes in related statutes on the reentry waiver.
- Adds the reentry services work group as one of the entities HCA must collaborate with to implement federal law.
- Removes the feasibility part of the HCA reporting requirement for optional services under federal law.

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 on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This bill makes clear that 2021 legislation relating to Medicaid coverage of incarcerated individuals applied to juvenile detention facilities and DCYF facilities and directs the state to be more intentional and inclusive of community providers to ensure a warm handoff when young individuals are released. It requires HCA to collaborate with advocates, including juvenile rehabilitation

facilities, using existing resources, development plans, and reentry waiver funding. To prevent gaps in services, this law will prevent youth from losing their coverage while serving their sentence because many are released from juvenile detention facilities after just a few weeks, not even 30 days. There have been stories of young people in juvenile facilities who were not having their Medicaid coverage maintained when current law does not require suspension until after 30 days of confinement.

Civil legal aid attorneys have had to do a lot of work to help youth exiting detention facilities with reconnecting them to their health care and community. There have been significant gaps in service, which is a vital component to successful reentry. Young people coming out of facilities often still need ongoing medication, health care management, and behavioral health care support. The clarity in identifying DCYF and county juvenile detention facilities in the chapter with the health care definitions is important to stand out and make sure those entities know they are part of the collaboration to provide these services.

There have been significant strides over the years to make sure those incarcerated, particularly in the adult system, are only suspended and not terminated from Medicaid. This next step to do that same thing for youth is good for public safety.

Persons Testifying: PRO: Senator Claire Wilson, Prime Sponsor; Karen Pillar, TeamChild; James McMahan, WA Assoc Sheriffs & Police Chiefs.

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