
SUBSTITUTE SENATE BILL 5929

State of Washington

62nd Legislature

2011 Regular Session

By Senate Ways & Means (originally sponsored by Senators Keiser and Becker)

READ FIRST TIME 04/19/11.

1 AN ACT Relating to enrollment in state purchased medical programs
2 by children; amending RCW 74.09.470; and declaring an emergency.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 74.09.470 and 2009 c 463 s 2 are each amended to read
5 as follows:

6 (1) Consistent with the goals established in RCW 74.09.402, through
7 the apple health for kids program authorized in this section, the
8 department shall provide affordable health care coverage to children
9 under the age of nineteen who reside in Washington state and whose
10 family income at the time of enrollment is not greater than two hundred
11 fifty percent of the federal poverty level as adjusted for family size
12 and determined annually by the federal department of health and human
13 services, and effective January 1, 2009, and only to the extent that
14 funds are specifically appropriated therefor, to children whose family
15 income is not greater than three hundred percent of the federal poverty
16 level. In administering the program, the department shall take such
17 actions as may be necessary to ensure the receipt of federal financial
18 participation under the medical assistance program, as codified at
19 Title XIX of the federal social security act, the state children's

1 health insurance program, as codified at Title XXI of the federal
2 social security act, and any other federal funding sources that are now
3 available or may become available in the future. The department and
4 the caseload forecast council shall estimate the anticipated caseload
5 and costs of the program established in this section.

6 (2) The department shall accept applications for enrollment for
7 children's health care coverage; establish appropriate minimum-
8 enrollment periods, as may be necessary; and determine eligibility
9 based on current family income. The department shall make eligibility
10 determinations within the time frames for establishing eligibility for
11 children on medical assistance, as defined by RCW 74.09.510. The
12 application and annual renewal processes shall be designed to minimize
13 administrative barriers for applicants and enrolled clients, and to
14 minimize gaps in eligibility for families who are eligible for
15 coverage. If a change in family income results in a change in the
16 source of funding for coverage, the department shall transfer the
17 family members to the appropriate source of funding and notify the
18 family with respect to any change in premium obligation, without a
19 break in eligibility. The department shall use the same eligibility
20 redetermination and appeals procedures as those provided for children
21 on medical assistance programs. The department shall modify its
22 eligibility renewal procedures to lower the percentage of children
23 failing to annually renew. The department shall manage its outreach,
24 application, and renewal procedures with the goals of: (a) Achieving
25 year by year improvements in enrollment, enrollment rates, renewals,
26 and renewal rates; (b) maximizing the use of existing program databases
27 to obtain information related to earned and unearned income for
28 purposes of eligibility determination and renewals, including, but not
29 limited to, the basic food program, the child care subsidy program,
30 federal social security administration programs, and the employment
31 security department wage database; (c) streamlining renewal processes
32 to rely primarily upon data matches, online submissions, and telephone
33 interviews; and (d) implementing any other eligibility determination
34 and renewal processes to allow the state to receive an enhanced federal
35 matching rate and additional federal outreach funding available through
36 the federal children's health insurance program reauthorization act of
37 2009 by January 2010. The department shall advise the governor and the
38 legislature regarding the status of these efforts by September 30,

1 2009. The information provided should include the status of the
2 department's efforts, the anticipated impact of those efforts on
3 enrollment, and the costs associated with that enrollment.

4 (3) To ensure continuity of care and ease of understanding for
5 families and health care providers, and to maximize the efficiency of
6 the program, the amount, scope, and duration of health care services
7 provided to children under this section shall be the same as that
8 provided to children under medical assistance, as defined in RCW
9 74.09.520.

10 (4) The primary mechanism for purchasing health care coverage under
11 this section shall be through contracts with managed health care
12 systems as defined in RCW 74.09.522, subject to conditions,
13 limitations, and appropriations provided in the biennial appropriations
14 act. However, the department shall make every effort within available
15 resources to purchase health care coverage for uninsured children whose
16 families have access to dependent coverage through an employer-
17 sponsored health plan or another source when it is cost-effective for
18 the state to do so, and the purchase is consistent with requirements of
19 Title XIX and Title XXI of the federal social security act. To the
20 extent allowable under federal law, the department shall require
21 families to enroll in available employer-sponsored coverage, as a
22 condition of participating in the program established under this
23 section, when it is cost-effective for the state to do so. Families
24 who enroll in available employer-sponsored coverage under this section
25 shall be accounted for separately in the annual report required by RCW
26 74.09.053.

27 (5)(a) To reflect appropriate parental responsibility, the
28 department shall develop and implement a schedule of premiums for
29 children's health care coverage due to the department from families
30 ~~((with income greater than two hundred percent of the federal poverty
31 level. For families with income greater than two hundred fifty percent
32 of the federal poverty level, the premiums shall be established in
33 consultation with the senate majority and minority leaders and the
34 speaker and minority leader of the house of representatives))~~.

35 (i) Premiums shall be set at a reasonable level that does not pose
36 a barrier to enrollment. Except as provided in (a)(ii) of this
37 subsection, the amount of the premium shall be based upon family income
38 and shall not exceed the premium limitations in Titles XIX and XXI of

1 the federal social security act. (~~Premiums shall not be imposed on~~
2 ~~children in households at or below two hundred percent of the federal~~
3 ~~poverty level as articulated in RCW 74.09.055.~~)

4 (ii) For children with family incomes between two hundred and three
5 hundred percent of the federal poverty level who are not eligible for
6 federal financial participation under Title XIX or XXI of the federal
7 social security act, or who are on a waiting list for state-subsidized
8 enrollment, premiums shall be in an amount equal to the average state
9 per capita cost of coverage under the state-funded children's health
10 program. A financial sponsor including, but not limited to, a
11 charitable or nonprofit organization may pay the premium, rate, or any
12 other amount on behalf of a child enrolled in coverage under this
13 subsection, by arrangement with the child's parent and through a
14 mechanism acceptable to the department.

15 (b) Beginning no later than January 1, 2010, the department shall
16 offer families whose income is greater than three hundred percent of
17 the federal poverty level the opportunity to purchase health care
18 coverage for their children through the programs administered under
19 this section without an explicit premium subsidy from the state. The
20 design of the health benefit package offered to these children should
21 provide a benefit package substantially similar to that offered in the
22 apple health for kids program, and may differ with respect to cost-
23 sharing, and other appropriate elements from that provided to children
24 under subsection (3) of this section including, but not limited to,
25 application of preexisting conditions, waiting periods, and other
26 design changes needed to offer affordable coverage. The amount paid by
27 the family shall be in an amount equal to the rate paid by the state to
28 the managed health care system for coverage of the child, including any
29 associated and administrative costs to the state of providing coverage
30 for the child. Any pooling of the program enrollees that results in
31 state fiscal impact must be identified and brought to the legislature
32 for consideration.

33 (6) The department shall undertake and continue a proactive,
34 targeted outreach and education effort with the goal of enrolling
35 children in health coverage and improving the health literacy of youth
36 and parents. The department shall collaborate with the department of
37 health, local public health jurisdictions, the office of the
38 superintendent of public instruction, the department of early learning,

1 health educators, health care providers, health carriers, community-
2 based organizations, and parents in the design and development of this
3 effort. The outreach and education effort shall include the following
4 components:

5 (a) Broad dissemination of information about the availability of
6 coverage, including media campaigns;

7 (b) Assistance with completing applications, and community-based
8 outreach efforts to help people apply for coverage. Community-based
9 outreach efforts should be targeted to the populations least likely to
10 be covered;

11 (c) Use of existing systems, such as enrollment information from
12 the free and reduced-price lunch program, the department of early
13 learning child care subsidy program, the department of health's women,
14 infants, and children program, and the early childhood education and
15 assistance program, to identify children who may be eligible but not
16 enrolled in coverage;

17 (d) Contracting with community-based organizations and government
18 entities to support community-based outreach efforts to help families
19 apply for coverage. These efforts should be targeted to the
20 populations least likely to be covered. The department shall provide
21 informational materials for use by government entities and community-
22 based organizations in their outreach activities, and should identify
23 any available federal matching funds to support these efforts;

24 (e) Development and dissemination of materials to engage and inform
25 parents and families statewide on issues such as: The benefits of
26 health insurance coverage; the appropriate use of health services,
27 including primary care provided by health care practitioners licensed
28 under chapters 18.71, 18.57, 18.36A, and 18.79 RCW, and emergency
29 services; the value of a medical home, well-child services and
30 immunization, and other preventive health services with linkages to
31 department of health child profile efforts; identifying and managing
32 chronic conditions such as asthma and diabetes; and the value of good
33 nutrition and physical activity;

34 (f) An evaluation of the outreach and education efforts, based upon
35 clear, cost-effective outcome measures that are included in contracts
36 with entities that undertake components of the outreach and education
37 effort;

1 (g) An implementation plan to develop online application capability
2 that is integrated with the department's automated client eligibility
3 system, and to develop data linkages with the office of the
4 superintendent of public instruction for free and reduced-price lunch
5 enrollment information and the department of early learning for child
6 care subsidy program enrollment information.

7 (7) The department shall take action to increase the number of
8 primary care physicians providing dental disease preventive services
9 including oral health screenings, risk assessment, family education,
10 the application of fluoride varnish, and referral to a dentist as
11 needed.

12 (8) The department shall monitor the rates of substitution between
13 private-sector health care coverage and the coverage provided under
14 this section and shall report to appropriate committees of the
15 legislature by December 2010.

16 (9) For those children who reside in Washington state and who are
17 ineligible for federal financial participation under Title XIX or XXI
18 of the federal social security act, enrollment shall not result in
19 expenditures that exceed the amount that has been appropriated for the
20 program in the operating budget. If it appears that continued
21 enrollment will result in expenditures exceeding the appropriated level
22 for a particular fiscal year, the department shall, in accordance with
23 any terms or conditions specified in the operating budget, freeze new
24 admissions and establish a waiting list for receipt of program
25 benefits.

26 NEW SECTION. Sec. 2. This act is necessary for the immediate
27 preservation of the public peace, health, or safety, or support of the
28 state government and its existing public institutions, and takes effect
29 immediately.

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