

2 **SSB 5626** - H COMM AMD **ADOPTED 04/08/99**
3 By Committee on Education

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5 Strike everything after the enacting clause and insert the
6 following:

7 **"Sec. 1.** RCW 74.09.5255 and 1994 c 180 s 6 are each amended to
8 read as follows:

9 Of the projected federal medicaid and private insurance revenue
10 collected under RCW 74.09.5249, twenty percent, after deduction for
11 billing fees, shall be for incentive payments to first class school
12 districts and fifty percent, after deduction for billing fees, shall be
13 for incentive payments to second class school districts. Incentive
14 payments shall only be used by districts for children with
15 disabilities.

16 **Sec. 2.** RCW 74.09.5255 and 1999 c . . . s 1 (section 1 of this
17 act) are each amended to read as follows:

18 Of the projected federal medicaid and private insurance revenue
19 collected under RCW 74.09.5249, (~~twenty~~) one-half of the percent of
20 potential medicaid eligible students billed by the school district as
21 calculated by the superintendent multiplied by the federal portion of
22 medicaid payments, after deduction for billing fees, shall be for
23 incentive payments to (~~first class school districts and fifty percent,~~
24 ~~after deduction for billing fees,~~ shall be for incentive payments to
25 ~~second class school~~) districts. Incentive payments shall only be used
26 by districts for children with disabilities.

27 **Sec. 3.** RCW 74.09.5256 and 1994 c 180 s 7 are each amended to read
28 as follows:

29 (1) Districts shall reassign medicaid payments to be received under
30 RCW 74.09.5249 through 74.09.5253, 74.09.5254 and 74.09.5255, and this
31 section to the superintendent of public instruction.

32 (2) The superintendent of public instruction shall receive medicaid
33 payments from the department of social and health services for all
34 state and federal moneys under Title XIX of the federal social security

1 act due to districts for medical assistance provided in the district's
2 special education program.

3 (3) The superintendent shall use reports from the department of
4 social and health services, the state billing agent, districts acting
5 as their own billing agent, and firms to calculate the appropriate
6 amounts of incentive payments and state special education program
7 moneys due each district.

8 (4) Moneys received by the superintendent of public instruction
9 shall be disbursed for the following purposes:

10 (a) Reimbursement to the department of social and health services
11 for the state-funded portion of medicaid payments;

12 (b) Reimbursement for billing agent's fees, including those of
13 districts acting as their own agent and billing fees of firms;

14 (c) Incentive payments to first class school districts equal to
15 twenty percent of the federal portion of medicaid payments after
16 deduction for billing fees; ((and))

17 (d) Incentive payments to second class school districts equal to
18 fifty percent of the federal portion of medicaid payments after
19 deduction of billing fees; and

20 (e) The remainder shall be distributed to districts as part of
21 state allocations for the special education program provided under RCW
22 28A.150.390.

23 (5) With respect to private insurer funds received by districts,
24 the superintendent of public instruction shall reduce state special
25 education program allocations to ((the)) first class districts by
26 eighty percent of the amount received, after deduction for billing fees
27 and to second class districts by fifty percent of the amount received,
28 after deduction for billing fees.

29 **Sec. 4.** RCW 74.09.5256 and 1999 c . . . s 3 (section 3 of this
30 act) are each amended to read as follows:

31 (1) Districts shall reassign medicaid payments to be received under
32 RCW 74.09.5249 through 74.09.5253, 74.09.5254 and 74.09.5255, and this
33 section to the superintendent of public instruction.

34 (2) The superintendent of public instruction shall receive medicaid
35 payments from the department of social and health services for all
36 state and federal moneys under Title XIX of the federal social security
37 act due to districts for medical assistance provided in the district's
38 special education program.

1 (3) The superintendent shall use reports from the department of
2 social and health services, the state billing agent, districts acting
3 as their own billing agent, and firms to calculate the appropriate
4 amounts of incentive payments and state special education program
5 moneys due each district.

6 (4) Moneys received by the superintendent of public instruction
7 shall be disbursed for the following purposes:

8 (a) Reimbursement to the department of social and health services
9 for the state-funded portion of medicaid payments;

10 (b) Reimbursement for billing agent's fees, including those of
11 districts acting as their own agent and billing fees of firms;

12 (c) Incentive payments to ~~((first class))~~ each school district~~((s))~~
13 equal to ~~((twenty))~~ one-half of the percent of potential medicaid
14 eligible students billed by the school district as calculated by the
15 superintendent multiplied by the federal portion of medicaid payments
16 after deduction for billing fees; and

17 ~~((Incentive payments to second class school districts equal to~~
18 ~~fifty percent of the federal portion of medicaid payments after~~
19 ~~deduction of billing fees; and~~

20 ~~((e)))~~ The remainder shall be distributed to districts as part of
21 state allocations for the special education program provided under RCW
22 28A.150.390.

23 (5) With respect to private insurer funds received by districts,
24 the superintendent of public instruction shall reduce state special
25 education program allocations to ~~((first class))~~ districts by ~~((eighty~~
26 ~~percent of the amount received))~~ one minus the percent calculated by
27 the superintendent in subsection (4)(c) of this section, after
28 deduction for billing fees ~~((and to second class districts by fifty~~
29 ~~percent of the amount received, after deduction for billing fees))~~.

30 NEW SECTION. **Sec. 5.** (1) Sections 1 and 3 of this act are
31 necessary for the immediate preservation of the public peace, health,
32 or safety, or support of the state government and its existing public
33 institutions, and take effect immediately.

34 (2) Sections 2 and 4 of this act are necessary for the immediate
35 preservation of the public peace, health, or safety, or support of the
36 state government and its existing public institutions, and take effect
37 July 1, 1999."

1 Correct the title.

EFFECT: From the time that the bill takes effect until July 1, 1999, second class districts may retain 50 percent and first class districts may retain 20 percent of the net federal portion of medicaid reimbursements. Beginning on July 1, 1999, all districts will receive 50 percent of the net federal share of the potential reimbursement amounts the districts would receive if they billed for all medicaid eligible students.

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