

SENATE BILL REPORT

SB 6716

As of February 5, 2002

Title: An act relating to federal waiver requests affecting the medical assistance program.

Brief Description: Requiring legislative approval of federal waivers to the medical assistance program.

Sponsors: Senators Parlette and Franklin.

Brief History:

Committee Activity: Health & Long-Term Care: 2/7/02.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Staff: Jonathan Seib (786-7427)

Background: Section 1115 of the Social Security Act grants the secretary of the Health and Human Services the authority to waive certain provisions in federal legislation that relate to the Medicaid program and the State Children's Health Insurance Program (SCHIP). Demonstration projects under the Section 1115 waiver authority typically investigate issues of interest to the Centers for Medicare and Medicaid Services (CMS), test a program or concept, or fulfill a research purpose. Waiver requests from states must include measurable objectives and an evaluation component. Most projects authorized under Section 1115 waivers are given five years to demonstrate outcomes, but they may be extended for longer periods of time. States that request Section 1115 waivers must demonstrate budget neutrality over the life of the project.

The Department of Social and Health Services submitted a Section 1115 waiver request to the federal government on November 1, 2001. The waiver requests flexibility to adopt cost-sharing, make benefit design changes, and impose enrollment limits in the medicaid program. It also requests federal permission to use its unspent federal SCHIP allotment to expand coverage to parents with Medicaid and SCHIP eligible children through the Basic Health Plan. The department estimates in its Section 1115 waiver request that an additional 20,000 people could be covered if federal permission is received.

The department stated in its waiver request that the Legislature must authorize any changes in the Medicaid program or the SCHIP program in Washington, prior to any changes taking effect.

Summary of Bill: For Section 1115 waiver requests that were submitted prior to the effective date of the act, the Department of Social and Health Services must submit approved waivers and various supporting information to the appropriate policy committees of the Senate and House of Representatives. The department must request legislative approval prior to implementing any Section 1115 federal demonstration waivers that modify the Medicaid program.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.