
SUBSTITUTE SENATE BILL 5558

State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Brown, Swecker, Fraser, Keiser, Benson, Brandland, Weinstein, Roach, Rasmussen, McAuliffe, Pridemore, Shin, Rockefeller and Kohl-Welles)

READ FIRST TIME 02/23/05.

1 AN ACT Relating to the prescription drug assistance foundation; and
2 adding a new section to chapter 41.05 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.05 RCW
5 to read as follows:

6 (1) The definitions in this subsection apply throughout this
7 section unless the context clearly requires otherwise.

8 (a) "Federal poverty level" means the official poverty level based
9 on family size established and adjusted under Section 673(2) of the
10 omnibus budget reconciliation act of 1981 (P.L. 97-35; 42 U.S.C. Sec.
11 9902(2), as amended).

12 (b) "Foundation" means the prescription drug assistance foundation
13 established in this section, a nonprofit corporation organized under
14 the laws of this state to provide assistance in accessing prescription
15 drugs to qualified uninsured individuals.

16 (c) "Health insurance coverage including prescription drugs" means
17 prescription drug coverage under a private insurance plan, the medicaid
18 program, the state children's health insurance program ("SCHIP"), the

1 medicare program, the basic health plan, or any employer-sponsored
2 health plan that includes a prescription drug benefit.

3 (d) "Qualified uninsured individual" means an uninsured person who
4 is a resident of this state and has an income below three hundred
5 percent of the federal poverty level.

6 (e) "Uninsured" means an individual who lacks health insurance
7 coverage including prescription drugs.

8 (2)(a) The administrator shall establish the foundation as a
9 nonprofit corporation, organized under the laws of this state. The
10 foundation shall assist qualified uninsured individuals in obtaining
11 prescription drugs at little or no cost.

12 (b) The foundation shall be administered in a manner that:

13 (i) Begins providing assistance to qualified uninsured individuals
14 by January 1, 2006;

15 (ii) Defines the population that may receive assistance in
16 accordance with this section; and

17 (iii) Complies with the eligibility requirements necessary to
18 obtain and maintain tax-exempt status under federal law.

19 (c) The board of directors of the foundation consists of five
20 members appointed by the governor to staggered terms of three years.
21 The governor shall select as members of the board individuals who (i)
22 will represent the interests of persons who lack prescription drug
23 coverage; and (ii) have demonstrated expertise in business management
24 and in the administration of a not-for-profit organization.

25 (d) The foundation shall apply for and comply with all federal
26 requirements necessary to obtain and maintain tax-exempt status with
27 respect to the federal tax obligations of the foundation's donors.

28 (e) The foundation is authorized, subject to the direction and
29 ratification of the board, to receive, solicit, contract for, collect,
30 and hold in trust for the purposes of this section, donations, gifts,
31 grants, and bequests in the form of money paid or promised, services,
32 materials, equipment, or other things tangible or intangible that may
33 be useful for helping the foundation to achieve its purpose. The
34 foundation may use all sources of public and private financing to
35 support foundation activities.

36 (f) No liability on the part of, and no cause of action of any
37 nature, shall arise against any member of the board of directors of the

1 foundation or against an employee or agent of the foundation for any
2 lawful action taken by them in the performance of their administrative
3 powers and duties under this section.

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