

HOUSE BILL REPORT

HB 2993

As Reported by House Committee On:

Human Services

Appropriations

Title: An act relating to facilitating continuity of medical assistance for persons confined in correctional institutions and institutions for mental diseases.

Brief Description: Facilitating continuity of medical assistance for persons confined in correctional institutions and institutions for mental diseases.

Sponsors: Representatives Dickerson, Kagi, Hasegawa, Darneille, Kenney, Roberts and Ormsby.

Brief History:

Committee Activity:

Human Services: 1/29/08, 1/31/08 [DP];

Appropriations: 2/11/08 [DPS].

Brief Summary of Substitute Bill

- Requires the Department of Social and Health Services to suspend medical benefits of a person going into confinement, and immediately reinstate the confined person's medical benefits upon that person's release from confinement.
- Creates procedures for recertification of medical benefits for people who have lost his or her medical benefits due to confinement.
- Minor substantive and technical changes are made in sections of the code to make it conform with practice and procedures that would be established under this bill.
- Requires the Department of Social and Health Services to conduct a feasibility study to evaluate systems for assisting persons released from institutional confinement to expeditiously establish or re-establish medical assistance eligibility.

HOUSE COMMITTEE ON HUMAN SERVICES

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: Do pass. Signed by 6 members: Representatives Dickerson, Chair; Roberts, Vice Chair; Walsh, Assistant Ranking Minority Member; Darneille, McCoy and O'Brien.

Minority Report: Do not pass. Signed by 2 members: Representatives Ahern, Ranking Minority Member; Bailey.

Staff: Brian Considine (786-7290).

Background:

Legislation was passed in 2006 that required the Department of Social and Health Services (DSHS) to expedite the enrollment or re-enrollment of medical assistance for eligible persons leaving state or local correctional facilities and institutions for mental diseases.

If a person is confined or incarcerated in a prison, county or city jail, or an institution for mental diseases, and the person has been diagnosed with a mental disease, then the confined person may apply for cash or medical assistance within 45 days prior to the expected release date.

Currently, the DSHS will terminate a person's medical benefits if he or she becomes incarcerated in a state prison, county or city jail, and the person cannot reestablish his or her eligibility of state medical benefits until he or she is released from confinement.

Summary of Bill:

A person who is receiving medical assistance at the time he or she becomes confined in a Washington prison, county or local jail, or institution for mental disease will have his or her medical assistance suspended during the period of his or her confinement, and medical benefits will immediately resume once he or she is released from confinement.

The DSHS, in collaboration with state and local organizations, must establish policies and procedures that will ensure speedy notification to the DSHS that a person receiving medical assistance is in confinement. The DSHS will also develop policies to promote continuity of medical assistance and educate individuals in confinement about suspension and recertification of medical assistance.

The DSHS will accept applications for medical benefits from a person in confinement who is scheduled for release within four months or is awaiting trial or sentencing, and it will determine eligibility within 45 days after receiving the application. After making a determination of eligibility, the DSHS will immediately send written notification of its decision to the applicant. If the person is eligible for assistance, then benefits will be suspended until the person is released from confinement.

The DSHS is required to explore the possibility of obtaining a medicaid state plan amendment to allow the state to receive medicaid matching funds for medical assistance provided to an individual during the period in which recertification of eligibility is pending.

The DSHS will expedite processing applications for federal supplemental security income or social security disability benefits for individuals whose medical assistance benefits are suspended if funding is appropriate for this purpose.

Minor substantive and technical changes are made in the code to conform with practice and procedures that would be established under this bill.

Appropriation: None.

Fiscal Note: Requested on January 24, 2008.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed, except for section 4, relating to the suspension of a person's medical benefits when he or she is in confinement, which takes effect on January 1, 2009.

Staff Summary of Public Testimony:

(In support) Community safety suffers when medical benefits are terminated upon going into jail or prison because it takes a while for that person to reestablish those benefits when he or she is released. There is an increase in safety for the community and individual if the person released from confinement can receive medications upon release. In working with people who are incarcerated or hospitalized, one will realize they do not have a fighting chance. Once incarcerated, people are stabilized on medication, and everyone is kept safe for a little while. Then, the person would be released into the community without medical benefits and with no hope to succeed in society, causing them to cycle in and out of the system. This is a good bill that helps people once they are released from confinement. Many hours were spent looking at this issue, and a lot of the information contained in the bill is from the experience gained at looking at this issue.

(Information only) Federal law states that you cannot use federal Medicaid funds for someone while they are incarcerated, and any medical benefits that would be allowed would come from state funds. If the requirement to suspend occurs, it would require the DSHS to change its programming systems. There is a distinction between the cash benefits and the medical benefits. There is a process to suspend cash benefits, but there is no process to suspend medical benefits. The DSHS does not have a final position on this bill, but a preliminary analysis in working on the fiscal note would have the DSHS not in support of the bill because we do not have funding and it would all be state dollars.

(Opposed) None.

Persons Testifying: (In support) Representative Dickerson, prime sponsor; and Cindy Spanton, The Defender Association, Washington Defender Association, Washington Association of Criminal Defense Lawyers, and Washington Association of Sheriff and Police Chiefs.

(Information only) Mary Beth Ingram, Department of Social and Health Services.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 32 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Chandler, Cody, Conway, Darneille, Ericks, Fromhold, Grant, Green, Haigh, Hinkle, Hunt, Kagi, Kenney, Kessler, Kretz, Linville, McIntire, Morrell, Pettigrew, Priest, Ross, Schmick, Schual-Berke, Seaquist, Sullivan and Walsh.

Staff: Mark Matteson (786-7145).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Human Services:

The proposal to suspend medical assistance eligibility for persons in confinement in lieu of eligibility termination is removed. The Department of Social and Health Services (DSHS) is instead required to conduct a feasibility study to evaluate systems for assisting persons released from confinement from state institutions to establish or re-establish medical assistance eligibility. The DSHS is required to analyze the costs and benefits of suspending eligibility of persons who were receiving medical assistance at the time their confinement began. The DSHS is required to evaluate the expedited medical eligibility review process enacted under HB 1290 in 2005 for persons with mental health disorders to determine whether expansion of the expedited review program could provide comparable outcomes to a suspension program.

A null and void clause was added, making the bill null and void unless funded in the budget.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) This addresses a serious local problem of people who are mentally ill. While it does help other persons who may be eligible for medical assistance, it is of critical importance to persons with mental disabilities in that it more rapidly reconnects those persons with medicines and providers. In the current system, it takes persons that are released from institutions up to six weeks to re-establish eligibility, during which time people decompensate, act out, and end up back in confinement or hospital emergency rooms. While this does have a significant state cost, there is significant local savings as well. Please move this bill forward.

In a significant number of cases, the smooth resumption of benefits will help prevent persons and their dependents from becoming homeless. The re-establishment of assistance for persons with mental health disabilities will have a positive public safety impact and decrease criminal justice system costs. The Basilon Center for Mental Health is supportive of this bill.

(Opposed) None.

Persons Testifying: Seth Dawson, National Alliance on Mental Illness; and Bob Cooper, Washington Association of Criminal Defense Lawyers and Washington Defenders Association.

Persons Signed In To Testify But Not Testifying: None.