

SENATE BILL REPORT

SB 6584

As Reported By Senate Committee On:
Human Services & Corrections, February 07, 2008

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: Senators Brandland and Hargrove.

Brief History:

Committee Activity: Human Services & Corrections: 2/01/08., 2/07/08 [DPS]

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: That Substitute Senate Bill No. 6584 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hargrove, Chair; Regala, Vice Chair; Stevens, Ranking Minority Member; Brandland, Carrell, Marr and McAuliffe.

Staff: Kevin Black (786-7747)

Background: The Department of Social and Health Services (DSHS) administers a number of medical assistance programs which provide health insurance to low income persons with serious disabilities or who have reached the age of 65.

State law provides that a person who is an inmate of a correctional institution or an institute for mental diseases (IMD) is not eligible for medical assistance. DSHS has a policy of terminating enrollment in medical assistance programs for enrolled persons who become incarcerated in a correctional institution or IMD. DSHS also disallows public assistance for persons on home detention. Under federal law, federal financial participation is not permitted for medical assistance payments to persons who are inmates of a correctional institution or IMD.

By letter dated 2004, the Center for Medicaid and Medicare Services encouraged state Medicaid directors to "suspend" and not "terminate" Medicaid services while a person is an inmate of a correctional institution or IMD. Federal guidelines allow for public assistance to be provided to persons on home detention, who do not receive food and shelter from a penal institution.

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.

DSHS by policy refuses to accept applications for public assistance benefits from inmates of a correctional institution who are not within 45 days of an established release date. Jail inmates who do not know when they will be released because their cases are still pending are not permitted to apply for benefits.

In 2005 the Legislature established a program to expedite review of medical assistance applications filed within 45 days of release by inmates of correctional institutions with serious disabilities who were enrolled in a public assistance program at some point during the five years prior to incarceration. This program is operating in a number of pilot sites across the state.

Summary of Bill (Recommended Substitute): DSHS must suspend, not terminate, medical assistance benefits for any person enrolled in medical assistance who becomes incarcerated in a correctional institution or IMD. Suspended medical benefits must be reinstated immediately upon the person's release, without requiring a new application. DSHS may not require an inmate to recertify eligibility for public assistance while he or she is incarcerated, but if the inmate's recertification date has passed, DSHS may require the inmate to recertify immediately following release. DSHS must provide public assistance benefits to eligible persons on home detention. DSHS must accept and process public assistance applications from jail inmates who do not have an established release date, and from any inmate who is within four months of an established release date. DSHS must extend its expedited medical assistance review program to all inmates who are likely to be eligible for medical assistance benefits, even if the person was not enrolled in public assistance within five years prior to incarceration. The Secretary of DSHS and the Secretary of the Department of Corrections (DOC) must develop working agreements sharing information regarding the entry and release of offenders for the purpose of implementing suspension of medical assistance benefits for offenders.

EFFECT OF CHANGES MADE BY HUMAN SERVICES & CORRECTIONS COMMITTEE (Recommended Substitute): Effective date for suspension of medical assistance benefits extended to September 1, 2009. DSHS and DOC must develop working agreements to share information regarding the entry and release of offenders.

Appropriation: None.

Fiscal Note: Requested on January 15, 2008.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed; except for section 4, which takes effect September 1, 2009.

Staff Summary of Public Testimony on Original Bill: PRO: Disabled inmates released from jail with no services spiral down and wind up back there again. We pay later, at higher cost. This is a long time coming. Chemical dependency, mental health, and co-occurring disorders create enormous costs for jails. The bill removes obstacles to continuity of care. It will help prevent homelessness among offenders, which is important for public safety.

OTHER: We support the objectives of the bill. We would need active cooperation and coordination from correctional institutions. Unsure how federal partners would interpret the

bill. Implementation could not be done by January of 2009 due to implementation of new computer system; it would take an extra year to have system support. People who were eligible entering an institution may not be eligible following release.

Persons Testifying: PRO: Senator Brandland, prime sponsor; Don Pierce, WASPC; Eric Johnson, Association of Counties; Jim Adams, NAMI; Seth Dawson, Coalition for Homeless; Cindy Spanton, GAINS Coalition/The Defender Association.

OTHER: Roger Gantz, DSHS; Bill Bergh, DSHS; Mary Wood, DSHS.