

**ESHB 2128** - S COMM AMD

By Committee on Health & Long-Term Care

ADOPTED AND ENGROSSED 04/15/2009

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that substantial  
4 progress has been made toward achieving the equally important goals set  
5 in 2007 that all children in Washington state have health care coverage  
6 by 2010 and that child health outcomes improve. The legislature also  
7 finds that continued steps are necessary to reach the goals that all  
8 children in Washington state shall have access to the health services  
9 they need to be healthy and ready to learn and that key measures of  
10 child health outcomes will show year by year improvement. The  
11 legislature further finds that reaching these goals is integral to the  
12 state's ability to weather the current economic crisis. The recent  
13 reauthorization of the federal children's health insurance program  
14 provides additional opportunities for the state to reach these goals.  
15 In view of these important objectives, the legislature intends that the  
16 apple health for kids program be managed actively across  
17 administrations in the department of social and health services, and  
18 across state and local agencies, with clear accountability for  
19 achieving the intended program outcomes. The legislature further  
20 intends that the department continue the implementation of the apple  
21 health for kids program with a commitment to fully utilizing the new  
22 program identity with appropriate materials.

23 **Sec. 2.** RCW 74.09.470 and 2007 c 5 s 2 are each amended to read as  
24 follows:

25 (1) Consistent with the goals established in RCW 74.09.402, through  
26 the apple health for kids program authorized in this section, the  
27 department shall provide affordable health care coverage to children  
28 under the age of nineteen who reside in Washington state and whose  
29 family income at the time of enrollment is not greater than two hundred

1 fifty percent of the federal poverty level as adjusted for family size  
2 and determined annually by the federal department of health and human  
3 services, and effective January 1, 2009, and only to the extent that  
4 funds are specifically appropriated therefor, to children whose family  
5 income is not greater than three hundred percent of the federal poverty  
6 level. In administering the program, the department shall take such  
7 actions as may be necessary to ensure the receipt of federal financial  
8 participation under the medical assistance program, as codified at  
9 Title XIX of the federal social security act, the state children's  
10 health insurance program, as codified at Title XXI of the federal  
11 social security act, and any other federal funding sources that are now  
12 available or may become available in the future. The department and  
13 the caseload forecast council shall estimate the anticipated caseload  
14 and costs of the program established in this section.

15 (2) The department shall accept applications for enrollment for  
16 children's health care coverage; establish appropriate minimum-  
17 enrollment periods, as may be necessary; and determine eligibility  
18 based on current family income. The department shall make eligibility  
19 determinations within the time frames for establishing eligibility for  
20 children on medical assistance, as defined by RCW 74.09.510. The  
21 application and annual renewal processes shall be designed to minimize  
22 administrative barriers for applicants and enrolled clients, and to  
23 minimize gaps in eligibility for families who are eligible for  
24 coverage. If a change in family income results in a change in  
25 ~~((program-eligibility))~~ the source of funding for coverage, the  
26 department shall transfer the family members to the appropriate  
27 ~~((programs))~~ source of funding and notify the family with respect to  
28 any change in premium obligation, without a break in eligibility. The  
29 department shall use the same eligibility redetermination and appeals  
30 procedures as those provided for children on medical assistance  
31 programs. The department shall modify its eligibility renewal  
32 procedures to lower the percentage of children failing to annually  
33 renew. ~~((The department shall report to the appropriate committees of  
34 the legislature on its progress in this regard by December 2007.))~~ The  
35 department shall manage its outreach, application, and renewal  
36 procedures with the goals of: (a) Achieving year by year improvements  
37 in enrollment, enrollment rates, renewals, and renewal rates; (b)  
38 maximizing the use of existing program databases to obtain information

1 related to earned and unearned income for purposes of eligibility  
2 determination and renewals, including, but not limited to, the basic  
3 food program, the child care subsidy program, federal social security  
4 administration programs, and the employment security department wage  
5 database; (c) streamlining renewal processes to rely primarily upon  
6 data matches, online submissions, and telephone interviews; and (d)  
7 implementing any other eligibility determination and renewal processes  
8 to allow the state to receive an enhanced federal matching rate and  
9 additional federal outreach funding available through the federal  
10 children's health insurance program reauthorization act of 2009 by  
11 January 2010. The department shall advise the governor and the  
12 legislature regarding the status of these efforts by September 30,  
13 2009. The information provided should include the status of the  
14 department's efforts, the anticipated impact of those efforts on  
15 enrollment, and the costs associated with that enrollment.

16 (3) To ensure continuity of care and ease of understanding for  
17 families and health care providers, and to maximize the efficiency of  
18 the program, the amount, scope, and duration of health care services  
19 provided to children under this section shall be the same as that  
20 provided to children under medical assistance, as defined in RCW  
21 74.09.520.

22 (4) The primary mechanism for purchasing health care coverage under  
23 this section shall be through contracts with managed health care  
24 systems as defined in RCW 74.09.522 (~~except when utilization patterns~~  
25 ~~suggest that fee for service purchasing could produce equally effective~~  
26 ~~and cost efficient care)), subject to conditions, limitations, and  
27 appropriations provided in the biennial appropriations act. However,  
28 the department shall make every effort within available resources to  
29 purchase health care coverage for uninsured children whose families  
30 have access to dependent coverage through an employer-sponsored health  
31 plan or another source when it is cost-effective for the state to do  
32 so, and the purchase is consistent with requirements of Title XIX and  
33 Title XXI of the federal social security act. To the extent allowable  
34 under federal law, the department shall require families to enroll in  
35 available employer- sponsored coverage, as a condition of participating  
36 in the program established under (~~chapter 5, Laws of 2007~~) this  
37 section, when it is cost-effective for the state to do so. Families~~

1 who enroll in available employer-sponsored coverage under (~~chapter 5,~~  
2 ~~Laws of 2007~~) this section shall be accounted for separately in the  
3 annual report required by RCW 74.09.053.

4 (5)(a) To reflect appropriate parental responsibility, the  
5 department shall develop and implement a schedule of premiums for  
6 children's health care coverage due to the department from families  
7 with income greater than two hundred percent of the federal poverty  
8 level. For families with income greater than two hundred fifty percent  
9 of the federal poverty level, the premiums shall be established in  
10 consultation with the senate majority and minority leaders and the  
11 speaker and minority leader of the house of representatives. Premiums  
12 shall be set at a reasonable level that does not pose a barrier to  
13 enrollment. The amount of the premium shall be based upon family  
14 income and shall not exceed the premium limitations in Title XXI of the  
15 federal social security act. Premiums shall not be imposed on children  
16 in households at or below two hundred percent of the federal poverty  
17 level as articulated in RCW 74.09.055.

18 (b) Beginning no\_later\_than January 1, (~~2009~~) 2010, the  
19 department shall offer families whose income is greater than three  
20 hundred percent of the federal poverty level the opportunity to  
21 purchase health care coverage for their children through the programs  
22 administered under this section without ((a)) an\_explicit premium  
23 subsidy from the state. The design of the health benefit package  
24 offered to these children should provide a benefit package  
25 substantially similar to that offered in the apple health for kids  
26 program, and may differ with respect to cost-sharing, and other  
27 appropriate elements from that provided to children under subsection  
28 (3) of this section including, but not limited to, application of  
29 preexisting conditions, waiting periods, and other design changes  
30 needed to offer affordable coverage. The amount paid by the family  
31 shall be in an amount equal to the rate paid by the state to the  
32 managed health care system for coverage of the child, including any  
33 associated and administrative costs to the state of providing coverage  
34 for the child. Any pooling of the program enrollees that results in  
35 state fiscal impact must be identified and brought to the legislature  
36 for consideration.

37 (6) The department shall undertake and\_continue a proactive,  
38 targeted outreach and education effort with the goal of enrolling

1 children in health coverage and improving the health literacy of youth  
2 and parents. The department shall collaborate with the department of  
3 health, local public health jurisdictions, the office of (~~the~~) the  
4 superintendent of public instruction, the department of early learning,  
5 health educators, health care providers, health carriers, community-  
6 based organizations, and parents in the design and development of this  
7 effort. The outreach and education effort shall include the following  
8 components:

9 (a) Broad dissemination of information about the availability of  
10 coverage, including media campaigns;

11 (b) Assistance with completing applications, and community-based  
12 outreach efforts to help people apply for coverage. Community-based  
13 outreach efforts should be targeted to the populations least likely to  
14 be covered;

15 (c) Use of existing systems, such as enrollment information from  
16 the free and reduced-price lunch program, the department of early  
17 learning child care subsidy program, the department of health's women,  
18 infants, and children program, and the early childhood education and  
19 assistance program, to identify children who may be eligible but not  
20 enrolled in coverage;

21 (d) Contracting with community-based organizations and government  
22 entities to support community-based outreach efforts to help families  
23 apply for coverage. These efforts should be targeted to the  
24 populations least likely to be covered. The department shall provide  
25 informational materials for use by government entities and community-  
26 based organizations in their outreach activities, and should identify  
27 any available federal matching funds to support these efforts;

28 (e) Development and dissemination of materials to engage and inform  
29 parents and families statewide on issues such as: The benefits of  
30 health insurance coverage; the appropriate use of health services,  
31 including primary care provided by health care practitioners licensed  
32 under chapters 18.71, 18.57, 18.36A, and 18.79 RCW, and emergency  
33 services; the value of a medical home, well-child services and  
34 immunization, and other preventive health services with linkages to  
35 department of health child profile efforts; identifying and managing  
36 chronic conditions such as asthma and diabetes; and the value of good  
37 nutrition and physical activity;

1 (f) An evaluation of the outreach and education efforts, based upon  
2 clear, cost-effective outcome measures that are included in contracts  
3 with entities that undertake components of the outreach and education  
4 effort;

5 (g) (~~(A feasibility study and)~~) An implementation plan to develop  
6 online application capability that is integrated with the department's  
7 automated client eligibility system, and to develop data linkages with  
8 the office of (~~{the}~~) the superintendent of public instruction for  
9 free and reduced-price lunch enrollment information and the department  
10 of early learning for child care subsidy program enrollment  
11 information. (~~The department shall submit a feasibility study on the~~  
12 ~~implementation of the requirements in this subsection to the governor~~  
13 ~~and legislature by July 2008.~~)

14 (7) The department shall take action to increase the number of  
15 primary care physicians providing dental disease preventive services  
16 including oral health screenings, risk assessment, family education,  
17 the application of fluoride varnish, and referral to a dentist as  
18 needed.

19 (8) The department shall monitor the rates of substitution between  
20 private-sector health care coverage and the coverage provided under  
21 this section and shall report to appropriate committees of the  
22 legislature by December 2010.

23 NEW SECTION. **Sec. 3.** The department must identify, within  
24 existing resources, a staff position as the single point of contact and  
25 coordination for the apple health for kids program. The position must  
26 ensure planning and coordination of all aspects of the apple health for  
27 kids program across all the involved agencies and with the various  
28 stakeholders, facilitate the collection, reporting, and analysis of the  
29 outcome data required in section 4 of this act, and facilitate the  
30 collection and reporting of the data required in section 2 of this act.  
31 The position must strive to provide transparency and accountability for  
32 the apple health for kids program and provide public reporting of the  
33 data required in sections 2 and 4 of this act.

34 **Sec. 4.** RCW 74.09.480 and 2007 c 5 s 4 are each amended to read as  
35 follows:

36 (1) The department, in collaboration with the department of health,

1 health carriers, local public health jurisdictions, children's health  
2 care providers including pediatricians, family practitioners, and  
3 pediatric subspecialists, community and migrant health centers,  
4 parents, and other purchasers, shall (~~identify explicit performance~~  
5 ~~measures that indicate that a child has an established and effective~~  
6 ~~medical home, such as~~) establish a concise set of explicit performance  
7 measures that can indicate whether children enrolled in the program are  
8 receiving health care through an established and effective medical  
9 home, and whether the overall health of enrolled children is improving.  
10 Such indicators may include, but are not limited to:

- 11 (a) Childhood immunization rates;
- 12 (b) Well child care utilization rates, including the use of  
13 behavioral and oral health screening, and validated, structured  
14 developmental (~~assessment tools that include behavioral and oral~~  
15 ~~health screening~~) screens using tools, that are consistent with  
16 nationally accepted pediatric guidelines and recommended administration  
17 schedule, once funding is specifically appropriated for this purpose;
- 18 (c) Care management for children with chronic illnesses;
- 19 (d) Emergency room utilization; (~~and~~)
- 20 (e) Visual acuity and eye health;
- 21 (f) Preventive oral health service utilization; and
- 22 (g) Children's mental health status. In defining these measures  
23 the department shall be guided by the measures provided in RCW  
24 71.36.025.

25 Performance measures and targets for each performance measure must  
26 be (~~reported to the appropriate committees of the senate and house of~~  
27 ~~representatives by December 1, 2007~~) established and monitored each  
28 biennium, with a goal of achieving measurable, improved health outcomes  
29 for the children of Washington state each biennium.

30 (2) Beginning in calendar year 2009, targeted provider rate  
31 increases shall be linked to quality improvement measures established  
32 under this section. The department, in conjunction with those groups  
33 identified in subsection (1) of this section, shall develop parameters  
34 for determining criteria for increased payment, alternative payment  
35 methodologies, or other incentives for those practices and health plans  
36 that incorporate evidence-based practice and improve and achieve  
37 sustained improvement with respect to the measures (~~in both fee for~~  
38 ~~service and managed care~~).

1 (3) The department shall provide (~~(an-annual)~~) a report to the  
2 governor and the legislature related to provider performance on these  
3 measures, beginning in September 2010 for 2007 through 2009 and  
4 (~~(annually)~~) biennially thereafter. The department shall advise the  
5 legislature as to its progress towards developing this biennial  
6 reporting system by September 30, 2009.

7 NEW SECTION. Sec. 5. This act may be known and cited as the apple  
8 health for kids act."

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9 On page 1, line 2 of the title, after "2010;" strike the remainder  
10 of the title and insert "amending RCW 74.09.470 and 74.09.480; and  
11 creating new sections."

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