

HOUSE BILL REPORT

HB 2349

As Passed House:

April 20, 2009

Title: An act relating to disproportionate share hospital adjustments.

Brief Description: Concerning disproportionate share hospital adjustments.

Sponsors: Representative Cody.

Brief History:

Committee Activity:

Ways & Means: 4/14/09, 4/18/09 [DP].

Floor Activity

Passed House: 4/20/09, 98-0.

Brief Summary of Bill

- Limits Disproportionate Share Hospital payments to the extent that funds are appropriated specifically for this purpose and subjects payments to any conditions placed on those appropriations.

HOUSE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass. Signed by 22 members: Representatives Linville, Chair; Ericks, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Chandler, Cody, Conway, Darneille, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Pettigrew, Priest, Ross, Schmick, Seaquist and Sullivan.

Staff: Erik Cornellier (786-7116)

Background:

Medical assistance is available to eligible low-income state residents and their families from the Department of Social and Health Services (DSHS), primarily through the Medicaid program. Most of the state medical assistance programs are funded with matching federal funds in various percentages.

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.

The federal government matches state funding for Disproportionate Share Hospitals (DSH), which are hospitals that serve a disproportionate share of Medicaid clients or the uninsured. States make DSH payments directly to hospitals, and the federal government reimburses them for part of the payments based on each state's Medicaid matching rate. States receive a DSH allotment that sets an upper limit on how much federal Medicaid money they can spend on DSH payments.

The DSH program offers flexibility to states in how they distribute DSH funds. States are required to "take into account the situation of hospitals which serve a disproportionate number of low-income patients with special needs."

Under Washington law, the DSHS must provide DSH payments considering low-income care and medical indigency components and a state-only component for hospitals that do not qualify for federal payments.

Summary of Bill:

The DSH payments are limited to the extent that funds are appropriated specifically for this purpose and are subject to any conditions placed on those appropriations.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.