SENATE BILL REPORT
ESHB 2128

As Reported by Senate Committee On:
Health & Long-Term Care, March 26, 2009

Title: An act relating to meeting the goal of all children in Washington state having health care coverage by 2010.

Brief Description: Concerning health care coverage for children.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Seaquist and Simpson).

Brief History: Passed House: 3/06/09, 68-28.
Committee Activity: Health & Long-Term Care: 3/23/09, 3/26/09 [DPA-WM, w/oRec].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.
Signed by Senators Keiser, Chair; Franklin, Vice Chair; Fairley, Marr and Murray.

Minority Report: That it be referred without recommendation.
Signed by Senators Pflug, Ranking Minority Member; Becker and Parlette.

Staff: Mich'l Needham (786-7442)

Background: The Department of Social and Health Services (DSHS) must provide affordable health coverage for all children living in Washington whose family income is at or below 250 percent of the federal poverty level, with an expansion to 300 percent of the federal poverty level scheduled for January 2009, subject to Legislative appropriation. For children living in families with household income above 300 percent of the federal poverty level, DSHS must offer nonsubsidized health coverage for children beginning on January 1, 2009, through the same children's health programs available to the Apple Health children. Actuarial analysis of the nonsubsidized program has identified concerns with the program structure and design.

Summary of Bill (Recommended Amendments): DSHS must modify the Apple Health for Kids Program outreach, application, and renewal procedures to increase enrollment and enrollment rates, and renewals and renewal rates. DSHS must report to the Legislature by

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September 30, 2009, on outreach and enrollment efforts, and efforts to receive additional federal funding for outreach activities.

The nonsubsidized program for children with family income that exceeds 300 percent of the federal poverty level is delayed to January 1, 2010, and the program is modified to allow a benefit design substantially similar to the Apple Health for Kids benefit design, while allowing cost-sharing, application of preexisting conditions, waiting periods, and other design changes needed to offer an affordable benefit package.

DSHS must identify, within existing resources, a staff position to serve as the single point of contact and coordination for the Apple Health for Kids Program. The position must ensure planning and coordination of all aspects of the program across the involved agencies and with the various stakeholders, and facilitate the collection and reporting of the outcome and performance data requirements. The position must strive to provide transparency and accountability for the program.

DSHS must modify performance measures that show whether children enrolled in the program are receiving health care from an established and effective medical home and whether the overall health of enrolled children is improving. Current performance indicators include care management for chronic illnesses, emergency room utilization, and preventive oral health services. Performance indicators are added to include visual acuity and eye health, and mental health status. The requirement for documenting the use of development screening tools is modified to reflect the use of tools that are consistent with nationally accepted pediatric guidelines, once funding is appropriated.

EFFECT OF CHANGES MADE BY HEALTH & LONG-TERM CARE COMMITTEE (Recommended Amendments): The intent section is expanded to include the legislative intent that DSHS use the new Apple Health brand and logo with appropriate materials. The requirement to produce a special program identification card with the Apple Health logo and name and statement on covering children is removed. The buy-in program for children with family income above 300 percent of the federal poverty level is modified to require benefits substantially similar to the Apple Health benefits with cost-sharing, pre-existing conditions, waiting periods and other design changes needed to offer affordable coverage. The exemption from Title 48 for the managed care plans offering the buy-in program is removed. The requirement for an Apple Health Executive is modified to an existing staff position, within existing resources, that must coordinate the program and serve as the single point of contact. The performance indicators are modified slightly for development assessment tools that are consistent with nationally accepted pediatric guidelines, once funding is specifically appropriated.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Engrossed Substitute House Bill: PRO: We all agree that Apple Health is an important program and this bill helps take the next step forward to comply with newly passed federal State Children's Health Insurance Program (SCHIP) reauthorization and access new funding in that bill. There have been successful outreach efforts that have resulted in over 55,000 newly enrolled children since the bill passed in 2007. The bill adds some reporting and tracking of outcomes to see how we are impacting the health of children. The program reporting and coordination efforts will need a coordinating person and the bill creates an Apple Health Executive for this, but it does not need to be a new person or FTE.

The bill is about leveraging federal money, maximizing efficiency, and reducing unnecessary administrative effort and cost. Two-thirds of the children that remain uninsured in this state have family incomes below 250 percent of the federal poverty level and it is important to retain a strong emphasis on outreach and enrollment to reach these children. It is important to promote program recognition with the program name, but we are willing to work on options to reduce the fiscal impact. Streamlined efforts with outreach and use of existing data can enroll more children, and free up time to focus on health outcomes.

The opportunity to wraparound employer coverage is important and may allow more children to access dental services. Dental disease is often overlooked but it is critical to capture early. The performance measures will be helpful for tracking outcomes but before we hold people accountable for success, we would like to see providers paid for using the developmental screening tools that will become an important outcome measure.

Persons Testifying: PRO: Representative Seaquist, prime sponsor; Teresa Mosqueda, Children's Alliance; Hugh Ewart, Seattle Children's Hospital; Lisa Podell, Seattle-King County Public Health; Kate White Tuder, Community Health Plan of Washington, Community Health Centers; Sean Pickard, Washington Dental Service Foundation; Sofia Aragon, Washington State Nurses Association; Laurie Lippold, Washington Chapter of American Academy of Pediatrics.