

SENATE BILL REPORT

ESHB 3048

As of March 16, 2010

Title: An act relating to administration of the medicaid program.

Brief Description: Concerning administration of the medicaid program.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Cody, Armstrong and Pettigrew; by request of Governor Gregoire).

Brief History: Passed House: 2/15/10, 79-19; 3/16/10, 75-18.

Committee Activity: Ways & Means: 3/17/10.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Megan Atkinson (786-7446)

Background: The federal Medicaid program is an optional program for states. However, for states that choose to participate, federal law (the Social Security Act) requires each participating state to designate a single state agency responsible for administration and supervision of the state's Medicaid program.

RCW 74.04.015 provides that the Department of Social and Health Services (DSHS) administers the state's Medicaid program. The state's Medicaid program is detailed in the State Medicaid Plan (SPA) that is filed with the Centers for Medicare and Medicaid Services (CMS). All significant aspects of the state's Medicaid program, including all approved waiver programs, are detailed in the SPA and subsequent amendments.

Medicaid is a federally funded program where the federal government will share in the costs for providing certain approved services to eligible individuals. This match rate varies from 50 percent for program administration to over 65 percent for certain enhanced rate programs.

Washington's Medicaid program includes medical and health care services (Medical Assistance), specialized mental health services, services and support to individuals with developmental disabilities and the elderly, chemical dependency treatment and services, and specialized services for children. In total the program provides services to over 1 million individuals and the total federal Medicaid funding provided exceeds \$8.5 billion for the 2009-11 biennium.

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.

Summary of Bill: The Governor must submit a report to the Legislature by December 1, 2010, identifying the agency designated by the Governor as the single state Medicaid agency and a plan for transferring, if necessary, functions from the DSHS to the designated agency.

In preparing the plan, the Governor must consider:

- the terms and conditions of any federal Medicaid waiver related to financing the Basic Health Plan granted as a result of the request submitted by the DSHS on January 19, 2010;
- the goal of integrating medical, behavioral health, and long-term care services for individuals with co-occurring disorders or complex health needs;
- the need for uniform policies, based on the best available scientific and medical evidence, across state-purchased health care programs; and
- the labor impacts, including the transfer of employees and the effect on current bargaining units and collective bargaining agreements.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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