

---

**SUBSTITUTE SENATE BILL 5898**

---

**State of Washington**

**61st Legislature**

**2009 Regular Session**

**By** Senate Health & Long-Term Care (originally sponsored by Senators Pflug, Keiser, and Zarelli)

READ FIRST TIME 03/27/09.

1           AN ACT Relating to reforming publicly funded health care through  
2 the creation of the apple health community care council; and adding a  
3 new section to chapter 74.09 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5           NEW SECTION.   **Sec. 1.** A new section is added to chapter 74.09 RCW  
6 to read as follows:

7           (1) The Washington state apple health community care council is  
8 created as an emergency working group within the department. The  
9 emergency working group will work to preserve critical publicly funded  
10 medical assistance programs that provide medical coverage to families  
11 and adults while providing a solution for a single entry way for all  
12 medical programs available to the low-income populations in Washington  
13 state. The council shall operate with the secretary of the department  
14 or his or her designee and the administrator of the health care  
15 authority or his or her designee, acting as cochairs. The council  
16 shall also include four members of the legislature, appointed by their  
17 respective caucuses in the house of representatives and the senate,  
18 and additional members in the discretion of the cochairs, such that a  
19 viable working group can be established to accomplish the goals set

1 forth in this section. The council shall function within the  
2 department's current appropriation and make use of any available  
3 private, public, or other grant funding. The primary duties of the  
4 council shall include:

5 (a) Subject to appropriation, the immediate redesign,  
6 reintroduction, and possible consolidation of state medical assistance  
7 and subsidized coverage programs that will preserve current enrollment  
8 levels for eligible enrollees and capture any additional federal  
9 funding;

10 (b) By September 1, 2009, submit to the federal department of  
11 health and human services a proposal to establish one seamless coverage  
12 program to encompass state medical assistance programs, the state  
13 children's health insurance program, general assistance unemployable  
14 medical, and the basic health plan, to the extent allowed by the  
15 federal department of health and human services. The council shall  
16 explore alternative benefit packages including health savings accounts,  
17 alternative cost-sharing arrangements, utilization review, and other  
18 cost controlling measures to achieve cost neutrality among currently  
19 served populations. The council shall also examine income and asset  
20 eligibility requirements for programs currently funded by state only  
21 funds. The council shall take such actions as may be necessary to  
22 ensure the broadest federal financial participation under Title XIX and  
23 XXI of the federal social security act;

24 (c) Creation of one seamless application and entry way for all  
25 state medical assistance programs to include medicaid, the state  
26 children's health insurance program, general assistance unemployable  
27 medical, and the basic health plan. The application must include all  
28 necessary items for eligibility determinations for any current medical  
29 offerings without regard for the funding source. Applications may be  
30 electronic and may include an electronic signature for verification and  
31 authentication. In creating a single portal by which individuals can  
32 seek state-sponsored or subsidized coverage, the council shall  
33 consider:

34 (i) Transparent and streamlined medical assistance programs, with  
35 seamless transition between coverage programs financed through various  
36 funding sources;

37 (ii) Seamless coverage options that allow individuals to move from  
38 medical assistance to subsidized coverage to premium subsidy programs

1 and ultimately to private nonsubsidized coverage while maintaining the  
2 same provider network and wellness incentive programs for the whole  
3 family;

4 (iii) Eligibility determinations that direct enrollees to the  
5 appropriate program to maximize federal financing where possible, and  
6 that do not permit persons to enroll in two programs simultaneously;  
7 and

8 (iv) Improved reimbursement methodologies and rates to enhance  
9 access to health care and quality of care delivery that include  
10 enhanced medical home reimbursement and bundled payment methodologies;  
11 and

12 (d) Develop a premium assistance program to be called the apple  
13 health employer cooperative whereby employers can participate in  
14 coverage options for employees and dependents of employees otherwise  
15 eligible for state subsidized programs. The council shall make every  
16 effort to maximize enrollment in employer-sponsored health insurance  
17 when it is cost-effective for the state to do so, and the purchase is  
18 consistent with the requirements of Title XIX and XXI of the federal  
19 social security act. To the extent allowable under federal law, the  
20 council shall require enrollment in available employer-sponsored  
21 coverage as a condition of participating in the program. The council  
22 may use current infrastructure within the health care authority as may  
23 be necessary to coordinate payments and sliding scale premium  
24 contributions, and to explore the further expansions of employer  
25 involvement in state subsidized insurance products. Such expansions  
26 may entail creative alternatives that seek additional employer-  
27 sponsored financing, such as section 125 cafeteria plans with a defined  
28 contribution in partnership with a state premium subsidy as well as  
29 fully funded health savings accounts or health reimbursement  
30 arrangements that provide incentives to reduce overutilization and  
31 control costs.

32 (2) By January 1, 2010, the apple health community care council  
33 shall produce a proposal to the legislature and the federal department  
34 of health and human services for a broadened apple health employer  
35 cooperative which will be accessible to employers of enrollees in any  
36 of the federally matched or state-sponsored medical assistance  
37 programs.

1           (3) By January 1, 2011, the apple health community care council  
2 shall produce a proposal that would consolidate the major medical  
3 offerings describe in subsection (1)(b) of this section to streamline  
4 all operations and eliminate duplication while maximizing federal  
5 funds.

6           (4) For the purposes of this section, "bundled payment" means  
7 providing a single payment for all services related to a treatment or  
8 condition, possibly spanning multiple providers in multiple settings.

--- END ---