
HOUSE BILL 1481

State of Washington

62nd Legislature

2011 Regular Session

By Representative Alexander

Read first time 01/24/11. Referred to Committee on Health & Human Services Appropriations & Oversight.

1 AN ACT Relating to terminating the disability lifeline benefits and
2 medical care services provisions; authorizing the department of social
3 and health services to provide assistance to certain aged, blind, and
4 disabled persons within available funding; modifying the medical care
5 services program; amending RCW 74.04.005, 74.04.230, 74.04.266,
6 74.04.620, 74.09.555, and 74.08A.440; reenacting and amending RCW
7 74.09.035 and 74.09.010; adding a new section to chapter 74.08 RCW;
8 creating a new section; repealing RCW 74.04.0052, 43.330.175,
9 74.04.655, 74.50.010, 74.50.011, 74.50.035, 74.50.040, 74.50.050,
10 74.50.055, 74.50.060, 74.50.070, 74.50.080, and 74.50.900; providing an
11 effective date; and declaring an emergency.

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

13 NEW SECTION. **Sec. 1.** The legislature intends to end the
14 disability lifeline program and establish a limited program for persons
15 who are unable to engage in gainful employment due to age, blindness,
16 or disability.

17 **Sec. 2.** RCW 74.04.005 and 2010 1st sp.s. c 8 s 4 are each amended
18 to read as follows:

1 For the purposes of this title, unless the context indicates
2 otherwise, the following definitions (~~shall~~) apply:

3 (1) "Public assistance" or "assistance"(~~—~~) means public aid to
4 persons in need thereof for any cause, including services, medical
5 care, assistance grants, disbursing orders, work relief, (~~disability~~
6 ~~lifeline benefits~~) and federal aid assistance.

7 (2) "Department"(~~—~~) means the department of social and health
8 services.

9 (3) "County or local office"(~~—~~) means the administrative office
10 for one or more counties or designated service areas.

11 (4) "Director" or "secretary" means the secretary of social and
12 health services.

13 (5) (~~"Disability lifeline program" means a program that provides~~
14 ~~aid and support in accordance with the conditions set out in this~~
15 ~~subsection.~~

16 ~~(a) Aid and assistance shall be provided to persons who are not~~
17 ~~eligible to receive federal aid assistance, other than basic food~~
18 ~~benefits transferred electronically and medical assistance and meet one~~
19 ~~of the following conditions:~~

20 ~~(i) Are pregnant and in need, based upon the current income and~~
21 ~~resource requirements of the federal temporary assistance for needy~~
22 ~~families program; or~~

23 ~~(ii) Are incapacitated from gainful employment by reason of bodily~~
24 ~~or mental infirmity that will likely continue for a minimum of ninety~~
25 ~~days as determined by the department. The standard for incapacity in~~
26 ~~this subsection, as evidenced by the ninety-day duration standard, is~~
27 ~~not intended to be as stringent as federal supplemental security income~~
28 ~~disability standards; and~~

29 ~~(A) Are citizens or aliens lawfully admitted for permanent~~
30 ~~residence or otherwise residing in the United States under color of~~
31 ~~law;~~

32 ~~(B) Have furnished the department their social security number. If~~
33 ~~the social security number cannot be furnished because it has not been~~
34 ~~issued or is not known, an application for a number shall be made prior~~
35 ~~to authorization of benefits, and the social security number shall be~~
36 ~~provided to the department upon receipt;~~

37 ~~(C) Have not refused or failed without good cause to participate in~~
38 ~~drug or alcohol treatment if an assessment by a certified chemical~~

1 dependency counselor indicates a need for such treatment.— Good cause
2 must be found to exist when a person's physical or mental condition, as
3 determined by the department, prevents the person from participating in
4 drug or alcohol dependency treatment, when needed outpatient drug or
5 alcohol treatment is not available to the person in the county of his
6 or her residence or when needed inpatient treatment is not available in
7 a location that is reasonably accessible for the person; and

8 (D) Have not refused or failed without good cause to participate in
9 vocational rehabilitation services, if an assessment conducted under
10 RCW 74.04.655 indicates that the person might benefit from such
11 services.— Good cause must be found to exist when a person's physical
12 or mental condition, as determined by the department, prevents the
13 person from participating in vocational rehabilitation services, or
14 when vocational rehabilitation services are not available to the person
15 in the county of his or her residence.

16 (b)(i) Persons who initially apply and are found eligible for
17 disability lifeline benefits based upon incapacity from gainful
18 employment under (a) of this subsection on or after September 2, 2010,
19 who are homeless and have been assessed as needing chemical dependency
20 or mental health treatment or both, must agree, as a condition of
21 eligibility for the disability lifeline program, to accept a housing
22 voucher in lieu of a cash grant if a voucher is available.— The
23 department shall establish the dollar value of the housing voucher.
24 The dollar value of the housing voucher may differ from the value of
25 the cash grant.— Persons receiving a housing voucher under this
26 subsection also shall receive a cash stipend of fifty dollars per
27 month.

28 (ii) If the department of commerce has determined under RCW
29 43.330.175 that sufficient housing is not available, persons described
30 in this subsection who apply for disability lifeline benefits during
31 the time period that housing is not available shall receive a cash
32 grant in lieu of a cash stipend and housing voucher.

33 (iii) Persons who refuse to accept a housing voucher under this
34 subsection but otherwise meet the eligibility requirements of (a) of
35 this subsection are eligible for medical care services benefits under
36 RCW 74.09.035, subject to the time limits in (h) of this subsection.

37 (c) The following persons are not eligible for the disability
38 lifeline program:

1 ~~(i) Persons who are unemployable due primarily to alcohol or drug~~
2 ~~addiction. These persons shall be referred to appropriate assessment,~~
3 ~~treatment, shelter, or supplemental security income referral services~~
4 ~~as authorized under chapter 74.50 RCW. Referrals shall be made at the~~
5 ~~time of application or at the time of eligibility review. This~~
6 ~~subsection shall not be construed to prohibit the department from~~
7 ~~granting disability lifeline benefits to alcoholics and drug addicts~~
8 ~~who are incapacitated due to other physical or mental conditions that~~
9 ~~meet the eligibility criteria for the disability lifeline program;~~

10 ~~(ii) Persons who refuse or fail to cooperate in obtaining federal~~
11 ~~aid assistance, without good cause.~~

12 ~~(d) Disability lifeline benefits shall be provided only to persons~~
13 ~~who are not members of assistance units receiving federal aid~~
14 ~~assistance, except as provided in (a) of this subsection, and who will~~
15 ~~accept available services that can reasonably be expected to enable the~~
16 ~~person to work or reduce the need for assistance unless there is good~~
17 ~~cause to refuse. Failure to accept such services shall result in~~
18 ~~termination until the person agrees to cooperate in accepting such~~
19 ~~services and subject to the following maximum periods of ineligibility~~
20 ~~after reapplication:~~

21 ~~(i) First failure: One week;~~

22 ~~(ii) Second failure within six months: One month;~~

23 ~~(iii) Third and subsequent failure within one year: Two months.~~

24 ~~(e) Persons who are likely eligible for federal supplemental~~
25 ~~security income benefits shall be moved into the disability lifeline~~
26 ~~expedited component of the disability lifeline program. Persons placed~~
27 ~~in the expedited component of the program may, if otherwise eligible,~~
28 ~~receive disability lifeline benefits pending application for federal~~
29 ~~supplemental security income benefits. The monetary value of any~~
30 ~~disability lifeline benefit that is subsequently duplicated by the~~
31 ~~person's receipt of supplemental security income for the same period~~
32 ~~shall be considered a debt due the state and shall by operation of law~~
33 ~~be subject to recovery through all available legal remedies.~~

34 ~~(f) For purposes of determining whether a person is incapacitated~~
35 ~~from gainful employment under (a) of this subsection:~~

36 ~~(i) The department shall adopt by rule medical criteria for~~
37 ~~disability lifeline incapacity determinations to ensure that~~

1 eligibility decisions are consistent with statutory requirements and
2 are based on clear, objective medical information; and

3 (ii) The process implementing the medical criteria shall involve
4 consideration of opinions of the treating or consulting physicians or
5 health care professionals regarding incapacity, and any eligibility
6 decision which rejects uncontroverted medical opinion must set forth
7 clear and convincing reasons for doing so.

8 (g) Persons receiving disability lifeline benefits based upon a
9 finding of incapacity from gainful employment who remain otherwise
10 eligible shall have their benefits discontinued unless the recipient
11 demonstrates no material improvement in their medical or mental health
12 condition. The department may discontinue benefits when there was
13 specific error in the prior determination that found the person
14 eligible by reason of incapacitation.

15 (h)(i) Beginning September 1, 2010, no person who is currently
16 receiving or becomes eligible for disability lifeline program benefits
17 shall be eligible to receive benefits under the program for more than
18 twenty four months in a sixty month period. For purposes of this
19 subsection, months of receipt of general assistance unemployable
20 benefits count toward the twenty four month limit. Months during which
21 a person received benefits under the expedited component of the
22 disability lifeline or general assistance program or under the aged,
23 blind, or disabled component of the disability lifeline or general
24 assistance program shall not be included when determining whether a
25 person has been receiving benefits for more than twenty four months.
26 On or before July 1, 2010, the department must review the cases of all
27 persons who have received disability lifeline benefits or general
28 assistance unemployable benefits for at least twenty months as of that
29 date. On or before September 1, 2010, the department must review the
30 cases of all remaining persons who have received disability lifeline
31 benefits for at least twelve months as of that date. The review should
32 determine whether the person meets the federal supplemental security
33 income disability standard and, if the person does not meet that
34 standard, whether the receipt of additional services could lead to
35 employability. If a need for additional services is identified, the
36 department shall provide case management services, such as assistance
37 with arranging transportation or locating stable housing, that will
38 facilitate the person's access to needed services. A person may not be

1 ~~determined ineligible due to exceeding the time limit unless he or she~~
2 ~~has received a case review under this subsection finding that the~~
3 ~~person does not meet the federal supplemental security income~~
4 ~~disability standard.~~

5 ~~(ii) The time limits established under this subsection expire June~~
6 ~~30, 2013.~~

7 ~~(i) No person may be considered an eligible individual for~~
8 ~~disability lifeline benefits with respect to any month if during that~~
9 ~~month the person:~~

10 ~~(i) Is fleeing to avoid prosecution of, or to avoid custody or~~
11 ~~confinement for conviction of, a felony, or an attempt to commit a~~
12 ~~felony, under the laws of the state of Washington or the place from~~
13 ~~which the person flees; or~~

14 ~~(ii) Is violating a condition of probation, community supervision,~~
15 ~~or parole imposed under federal or state law for a felony or gross~~
16 ~~misdemeanor conviction.~~

17 ~~(6) "Disability lifeline expedited" means a component of the~~
18 ~~disability lifeline program under which persons receiving disability~~
19 ~~lifeline benefits have been determined, after examination by an~~
20 ~~appropriate health care provider, to be likely to be eligible for~~
21 ~~federal supplemental security income benefits based on medical and~~
22 ~~behavioral health evidence that meets the disability standards used for~~
23 ~~the federal supplemental security income program.~~

24 ~~(7)) "Federal aid assistance"((—)) means the specific categories~~
25 ~~of assistance for which provision is made in any federal law existing~~
26 ~~or hereafter passed by which payments are made from the federal~~
27 ~~government to the state in aid or in respect to payment by the state~~
28 ~~for public assistance rendered to any category of needy persons for~~
29 ~~which provision for federal funds or aid may from time to time be made,~~
30 ~~or a federally administered needs-based program.~~

31 ~~((+8)) (6) "Applicant"((—)) means any person who has made a~~
32 ~~request, or on behalf of whom a request has been made, to any county or~~
33 ~~local office for assistance.~~

34 ~~((+9)) (7) "Recipient"((—)) means any person receiving assistance~~
35 ~~and in addition those dependents whose needs are included in the~~
36 ~~recipient's assistance.~~

37 ~~((+10)) (8) "Standards of assistance"((—)) means the level of~~

1 income required by an applicant or recipient to maintain a level of
2 living specified by the department.

3 ~~((+11))~~ (9) "Resource"~~((—))~~ means any asset, tangible or
4 intangible, owned by or available to the applicant at the time of
5 application, which can be applied toward meeting the applicant's need,
6 either directly or by conversion into money or its equivalent. The
7 department may by rule designate resources that an applicant may retain
8 and not be ineligible for public assistance because of such resources.
9 Exempt resources shall include, but are not limited to:

10 (a) A home that an applicant, recipient, or their dependents is
11 living in, including the surrounding property;

12 (b) Household furnishings and personal effects;

13 (c) A motor vehicle, other than a motor home, used and useful
14 having an equity value not to exceed five thousand dollars;

15 (d) A motor vehicle necessary to transport a household member with
16 a physical disability. This exclusion is limited to one vehicle per
17 person with a physical disability;

18 (e) All other resources, including any excess of values exempted,
19 not to exceed one thousand dollars or other limit as set by the
20 department, to be consistent with limitations on resources and
21 exemptions necessary for federal aid assistance. The department shall
22 also allow recipients of temporary assistance for needy families to
23 exempt savings accounts with combined balances of up to an additional
24 three thousand dollars;

25 (f) Applicants for or recipients of ~~((disability lifeline benefits~~
26 ~~shall))~~ assistance for the aged, blind, and disabled under section 3 of
27 this act must have their eligibility based on resource limitations
28 consistent with the temporary assistance for needy families program
29 rules adopted by the department; and

30 (g) If an applicant for or recipient of public assistance possesses
31 property and belongings in excess of the ceiling value, such value
32 shall be used in determining the need of the applicant or recipient,
33 except that: (i) The department may exempt resources or income when
34 the income and resources are determined necessary to the applicant's or
35 recipient's restoration to independence, to decrease the need for
36 public assistance, or to aid in rehabilitating the applicant or
37 recipient or a dependent of the applicant or recipient; and (ii) the
38 department may provide grant assistance for a period not to exceed nine

1 months from the date the agreement is signed pursuant to this section
2 to persons who are otherwise ineligible because of excess real property
3 owned by such persons when they are making a good faith effort to
4 dispose of that property: PROVIDED, That:

5 (A) The applicant or recipient signs an agreement to repay the
6 lesser of the amount of aid received or the net proceeds of such sale;

7 (B) If the owner of the excess property ceases to make good faith
8 efforts to sell the property, the entire amount of assistance may
9 become an overpayment and a debt due the state and may be recovered
10 pursuant to RCW 43.20B.630;

11 (C) Applicants and recipients are advised of their right to a fair
12 hearing and afforded the opportunity to challenge a decision that good
13 faith efforts to sell have ceased, prior to assessment of an
14 overpayment under this section; and

15 (D) At the time assistance is authorized, the department files a
16 lien without a sum certain on the specific property.

17 ~~((+12+))~~ (10)(a) "Income"~~((--(a+))~~) means all appreciable gains in
18 real or personal property (cash or kind) or other assets, which are
19 received by or become available for use and enjoyment by an applicant
20 or recipient during the month of application or after applying for or
21 receiving public assistance.

22 (b) The department may by rule and regulation exempt income
23 received by an applicant for or recipient of public assistance which
24 can be used by him or her to decrease his or her need for public
25 assistance or to aid in rehabilitating him or her or his or her
26 dependents, but such exemption ~~((shall))~~ may not, unless otherwise
27 provided in this title, exceed the exemptions of resources granted
28 under this chapter to an applicant for public assistance. In addition,
29 for cash assistance the department may disregard income pursuant to RCW
30 74.08A.230 and 74.12.350.

31 ~~((+b+))~~ (c) If, under applicable federal requirements, the state
32 has the option of considering property in the form of lump sum
33 compensatory awards or related settlements received by an applicant or
34 recipient as income or as a resource, the department ~~((shall))~~ must
35 consider such property to be a resource.

36 ~~((+13+))~~ (11) "Need"~~((--))~~ means the difference between the
37 applicant's or recipient's standards of assistance for himself or
38 herself and the dependent members of his or her family, as measured by

1 the standards of the department, and value of all nonexempt resources
2 and nonexempt income received by or available to the applicant or
3 recipient and the dependent members of his or her family.

4 ~~((14))~~ (12) For purposes of determining eligibility for public
5 assistance and participation levels in the cost of medical care, the
6 department ~~((shall))~~ must exempt restitution payments made to people of
7 Japanese and Aleut ancestry pursuant to the civil liberties act of 1988
8 and the Aleutian and Pribilof Island restitution act passed by
9 congress, P.L. 100-383, including all income and resources derived
10 therefrom.

11 ~~((15))~~ (13) In the construction of words and phrases used in this
12 title, the singular number ~~((shall))~~ includes the plural, the masculine
13 gender ~~((shall))~~ includes both the feminine and neuter genders and the
14 present tense ~~((shall))~~ includes the past and future tenses, unless the
15 context thereof ~~((shall))~~ clearly indicates to the contrary.

16 NEW SECTION. Sec. 3. A new section is added to chapter 74.08 RCW
17 to read as follows:

18 (1)(a) Subject to the availability of amounts specifically
19 appropriated for this purpose, grant assistance and other services may
20 be provided to aged, blind, and disabled persons in need who:

21 (i) Are not eligible to receive federal aid assistance, other than
22 medical assistance or basic food program benefits. However, an
23 individual who refuses or fails to cooperate in obtaining federal aid
24 assistance, without good cause, is not eligible for assistance for the
25 aged, blind, and disabled; and

26 (ii) Meet the following requirements:

27 (A) Are aged, blind, or disabled. For the purposes of determining
28 eligibility for assistance for the aged, blind, and disabled, the
29 following definitions apply:

30 (I) "Aged" means aged sixty-five or older.

31 (II) "Blind" means statutorily blind as defined for the purpose of
32 determining eligibility for the federal supplemental security income
33 program.

34 (III) "Disabled" means likely to meet the federal supplemental
35 security income disability standard;

36 (B) Are citizens or aliens lawfully admitted for permanent

1 residence or otherwise residing in the United States under color of
2 law;

3 (C) Have furnished the department their social security number. If
4 the social security number cannot be furnished because it has not been
5 issued or is not known, an application for a number must be made prior
6 to authorization of benefits, and the social security number must be
7 provided to the department upon receipt; and

8 (D) Have not refused or failed without good cause to participate in
9 drug or alcohol treatment if an assessment by a certified chemical
10 dependency counselor indicates a need for such treatment. Good cause
11 must be found to exist when a person's physical or mental condition, as
12 determined by the department, prevents the person from participating in
13 drug or alcohol dependency treatment, when needed outpatient drug or
14 alcohol treatment is not available to the person in the county of his
15 or her residence or when needed inpatient treatment is not available in
16 a location that is reasonably accessible for the person.

17 (b) For purposes of determining whether a person is disabled under
18 this subsection (1):

19 (i) The department may rely upon a previous disability
20 determination by the social security administration;

21 (ii) The department must adopt rules and processes for determining
22 disability that are sufficient to indicate that a person is likely to
23 meet the federal supplemental security income disability standard.
24 Except as otherwise provided in this section, such rules need not
25 conform to Part 416 of Title 20 of the code of federal regulations; and

26 (iii) Medical evidence used to determine disability must be
27 consistent with the standards for evidence used to determine disability
28 for the federal supplemental security income program.

29 (2) Assistance for the aged, blind, and disabled must be provided
30 only to persons who are not members of assistance units receiving
31 federal aid assistance, except as provided in subsection (1)(a) of this
32 section, and who will accept available services that can reasonably be
33 expected to reduce the need for assistance unless there is good cause
34 to refuse. Failure to accept such services results in termination
35 until such time as the person cooperates with the treatment or service.

36 (3) Notwithstanding the provisions of subsection (1) of this
37 section, persons who appear eligible to receive supplemental security
38 income under Title XVI of the federal social security act may, if

1 otherwise eligible, receive interim assistance for the aged, blind, and
2 disabled pending final determination on an application for federal
3 supplemental security income benefits, as provided for in RCW
4 74.04.620. Upon a final determination of eligibility by the social
5 security administration, interim assistance for the aged, blind, and
6 disabled will cease. Any assistance that is subsequently duplicated by
7 the person's receipt of supplemental security income for the same
8 period is considered a debt due the state and is by operation of law
9 subject to recovery through all available legal remedies.

10 (4) The department must by rule adopt criteria for conducting
11 periodic reviews of the eligibility of recipients of assistance for the
12 aged, blind, and disabled whose eligibility is based on a determination
13 of blindness or disability. The department may discontinue such
14 benefits:

15 (a) If it determines the recipient's medical or mental impairment
16 no longer meets the criteria established under subsection (3) of this
17 section;

18 (b) When there was specific error in the prior determination of
19 disability or blindness; or

20 (c) Upon a final determination by the social security
21 administration that the recipient is not disabled.

22 (5) No person may be considered an eligible individual for
23 assistance for the aged, blind, and disabled with respect to any month
24 if during that month the person:

25 (a) Is fleeing to avoid prosecution of, or to avoid custody or
26 confinement for conviction of, a felony, or an attempt to commit a
27 felony, under the laws of the state of Washington or the place from
28 which the person flees; or

29 (b) Is violating a condition of probation, community supervision,
30 or parole imposed under federal or state law for a felony or gross
31 misdemeanor conviction.

32 **Sec. 4.** RCW 74.04.230 and 2010 1st sp.s. c 8 s 20 are each amended
33 to read as follows:

34 Persons (~~(eligible for disability lifeline benefits)~~) receiving
35 assistance for the aged, blind, and disabled under section 3 of this
36 act are eligible for mental health services to the extent that they

1 meet the client definitions and priorities established by chapter 71.24
2 RCW.

3 **Sec. 5.** RCW 74.04.266 and 2010 1st sp.s. c 8 s 21 are each amended
4 to read as follows:

5 In determining need for (~~disability lifeline benefits~~) assistance
6 for the aged, blind, and disabled under section 3 of this act, the
7 department may by rule and regulation establish a monthly earned income
8 exemption in an amount not to exceed the exemption allowable under
9 disability programs authorized in Title XVI of the federal social
10 security act.

11 **Sec. 6.** RCW 74.04.620 and 2010 1st sp.s. c 8 s 22 are each amended
12 to read as follows:

13 (1) The department is authorized to establish a program of state
14 supplementation to the national program of supplemental security income
15 consistent with Public Law 92-603 and Public Law 93-66 to those persons
16 who are in need thereof in accordance with eligibility requirements
17 established by the department.

18 (2) The department is authorized to establish reasonable standards
19 of assistance and resource and income exemptions specifically for such
20 program of state supplementation which shall be consistent with the
21 provisions of the social security act.

22 (3) The department is authorized to make payments to applicants for
23 supplemental security income, pursuant to agreements as provided in
24 Public Law 93-368, who are otherwise eligible for (~~disability lifeline~~
25 ~~benefits~~) assistance for the aged, blind, and disabled under section
26 3 of this act.

27 (~~(4) Any agreement between the department and a supplemental~~
28 ~~security income applicant providing for the reimbursement of interim~~
29 ~~assistance to the department shall provide, if the applicant has been~~
30 ~~represented by an attorney, that twenty five percent of the~~
31 ~~reimbursement received shall be withheld by the department and all or~~
32 ~~such portion thereof as has been approved as a fee by the United States~~
33 ~~department of health and human services shall be released directly to~~
34 ~~the applicant's attorney. The secretary may maintain such records as~~
35 ~~are deemed appropriate to measure the cost and effectiveness of such~~

1 ~~agreements and may make recommendations concerning the continued use of~~
2 ~~such agreements to the legislature.))~~

3 **Sec. 7.** RCW 74.09.035 and 2010 1st sp.s. c 8 s 29 and 2010 c 94 s
4 22 are each reenacted and amended to read as follows:

5 (1) ~~((To the extent of available funds))~~ Subject to the
6 availability of amounts specifically appropriated for this purpose,
7 medical care services may be provided to recipients of ~~((disability~~
8 ~~lifeline benefits, persons denied disability lifeline benefits under~~
9 ~~RCW 74.04.005(5)(b) or 74.04.655 who otherwise meet the requirements of~~
10 ~~RCW 74.04.005(5)(a), and recipients of alcohol and drug addiction~~
11 ~~services provided under chapter 74.50 RCW,))~~ assistance for the aged,
12 blind, and disabled under section 3 of this act in accordance with
13 medical eligibility requirements established by the department. ~~((To~~
14 ~~the extent authorized in the operating budget, upon implementation of~~
15 ~~a federal medicaid 1115 waiver providing federal matching funds for~~
16 ~~medical care services, these services also may be provided to persons~~
17 ~~who have been terminated from disability lifeline benefits under RCW~~
18 ~~74.04.005(5)(h).))~~

19 (2) Determination of the amount, scope, and duration of medical
20 care services ~~((shall be))~~ is limited to coverage as defined by the
21 department, except that adult dental, and routine foot care shall not
22 be included unless there is a specific appropriation for these
23 services.

24 (3) ~~((The department shall enter into performance based contracts~~
25 ~~with one or more managed health care systems for the provision of~~
26 ~~medical care services to recipients of disability lifeline benefits.~~
27 ~~The contract must provide for integrated delivery of medical and mental~~
28 ~~health services.~~

29 ~~(4))~~ The department ~~((shall))~~ must establish standards of
30 assistance and resource and income exemptions, which may include
31 deductibles and co-insurance provisions. In addition, the department
32 may include a prohibition against the voluntary assignment of property
33 or cash for the purpose of qualifying for assistance.

34 ~~((+5))~~ (4) Residents of skilled nursing homes, intermediate care
35 facilities, and intermediate care facilities for the mentally retarded,
36 as that term is described by federal law, who are eligible for medical

1 care services shall be provided medical services to the same extent as
2 provided to those persons eligible under the medical assistance
3 program.

4 ~~((+6))~~ (5) Payments made by the department under this program
5 shall be the limit of expenditures for medical care services solely
6 from state funds.

7 ~~((+7))~~ (6) Eligibility for medical care services ~~((shall))~~
8 commences with the date of certification for ~~((disability-lifeline
9 benefits or the date of eligibility for alcohol and drug addiction
10 services provided under chapter 74.50 RCW))~~ assistance for the aged,
11 blind, and disabled under section 3 of this act.

12 **Sec. 8.** RCW 74.09.010 and 2010 1st sp.s. c 8 s 28 are each
13 reenacted and amended to read as follows:

14 As used in this chapter:

15 (1) "Children's health program" means the health care services
16 program provided to children under eighteen years of age and in
17 households with incomes at or below the federal poverty level as
18 annually defined by the federal department of health and human services
19 as adjusted for family size, and who are not otherwise eligible for
20 medical assistance or the limited casualty program for the medically
21 needy.

22 (2) "Committee" means the children's health services committee
23 ~~((created in section 3 of this act))~~.

24 (3) "County" means the board of county commissioners, county
25 council, county executive, or tribal jurisdiction, or its designee.
26 ~~((A combination of two or more county authorities or tribal
27 jurisdictions may enter into joint agreements to fulfill the
28 requirements of RCW 74.09.415 through 74.09.435.))~~

29 (4) "Department" means the department of social and health
30 services.

31 (5) "Department of health" means the Washington state department of
32 health created pursuant to RCW 43.70.020.

33 (6) "Full benefit dual eligible beneficiary" means an individual
34 who, for any month: Has coverage for the month under a medicare
35 prescription drug plan or medicare advantage plan with part D coverage;
36 and is determined eligible by the state for full medicaid benefits for

1 the month under any eligibility category in the state's medicaid plan
2 or a section 1115 demonstration waiver that provides pharmacy benefits.

3 (7) "Internal management" means the administration of medical
4 assistance, medical care services, the children's health program, and
5 the limited casualty program.

6 (8) "Limited casualty program" means the medical care program
7 provided to medically needy persons as defined under Title XIX of the
8 federal social security act, and to medically indigent persons who are
9 without income or resources sufficient to secure necessary medical
10 services.

11 (9) "Medical assistance" means the federal aid medical care program
12 provided to categorically needy persons as defined under Title XIX of
13 the federal social security act.

14 (10) "Medical care services" means the limited scope of care
15 financed by state funds and provided to (~~disability lifeline benefits~~
16 ~~recipients, and recipients of alcohol and drug addiction services~~
17 ~~provided under chapter 74.50 RCW~~) assistance for aged, blind, and
18 disabled recipients under section 3 of this act.

19 (11) "Nursing home" means nursing home as defined in RCW 18.51.010.

20 (12) "Poverty" means the federal poverty level determined annually
21 by the United States department of health and human services, or
22 successor agency.

23 (13) "Secretary" means the secretary of social and health services.

24 **Sec. 9.** RCW 74.09.555 and 2010 1st sp.s. c 8 s 30 are each amended
25 to read as follows:

26 (1) The department (~~shall~~) must adopt rules and policies
27 providing that when persons with a mental disorder, who were enrolled
28 in medical assistance immediately prior to confinement, are released
29 from confinement, their medical assistance coverage will be fully
30 reinstated on the day of their release, subject to any expedited review
31 of their continued eligibility for medical assistance coverage that is
32 required under federal or state law.

33 (2) The department, in collaboration with the Washington
34 association of sheriffs and police chiefs, the department of
35 corrections, and the regional support networks, (~~shall~~) must
36 establish procedures for coordination between department field offices,
37 institutions for mental disease, and correctional institutions, as

1 defined in RCW 9.94.049, that result in prompt reinstatement of
2 eligibility and speedy eligibility determinations for persons who are
3 likely to be eligible for medical assistance services upon release from
4 confinement. Procedures developed under this subsection must address:

5 (a) Mechanisms for receiving medical assistance services
6 applications on behalf of confined persons in anticipation of their
7 release from confinement;

8 (b) Expeditious review of applications filed by or on behalf of
9 confined persons and, to the extent practicable, completion of the
10 review before the person is released;

11 (c) Mechanisms for providing medical assistance services identity
12 cards to persons eligible for medical assistance services immediately
13 upon their release from confinement; and

14 (d) Coordination with the federal social security administration,
15 through interagency agreements or otherwise, to expedite processing of
16 applications for federal supplemental security income or social
17 security disability benefits, including federal acceptance of
18 applications on behalf of confined persons.

19 (3) Where medical or psychiatric examinations during a person's
20 confinement indicate that the person is disabled, the correctional
21 institution or institution for mental diseases (~~shall~~) must provide
22 the department with that information for purposes of making medical
23 assistance eligibility and enrollment determinations prior to the
24 person's release from confinement. The department (~~shall~~) must, to
25 the maximum extent permitted by federal law, use the examination in
26 making its determination whether the person is disabled and eligible
27 for medical assistance.

28 (4) For purposes of this section, the following definitions apply
29 unless the context clearly requires otherwise:

30 (a) "Confined" or "confinement" means incarcerated in a
31 correctional institution, as defined in RCW 9.94.049, or admitted to an
32 institute for mental disease, as defined in 42 C.F.R. part 435, Sec.
33 1009 on July 24, 2005.

34 (~~(5) For purposes of this section,~~) (b) "Likely to be eligible"
35 means that a person:

36 (~~(a)~~) (i) Was enrolled in medicaid or supplemental security
37 income or (~~the disability lifeline program~~) assistance for the aged,

1 blind, and disabled under section 3 of this act immediately before he
2 or she was confined and his or her enrollment was terminated during his
3 or her confinement; or

4 ~~((b))~~ (ii) Was enrolled in medicaid or supplemental security
5 income or ~~((the disability lifeline program))~~ assistance for the aged,
6 blind, and disabled under section 3 of this act at any time during the
7 five years before his or her confinement, and medical or psychiatric
8 examinations during the person's confinement indicate that the person
9 continues to be disabled and the disability is likely to last at least
10 twelve months following release.

11 ~~((6))~~ (5) The economic services administration ~~((shall))~~ must
12 adopt standardized statewide screening and application practices and
13 forms designed to facilitate the application of a confined person who
14 is likely to be eligible for medicaid.

15 **Sec. 10.** RCW 74.08A.440 and 2010 1st sp.s. c 8 s 32 are each
16 amended to read as follows:

17 Recipients exempted from active work search activities due to
18 incapacity or a disability ~~((shall))~~ must receive ~~((disability lifeline~~
19 ~~benefits as they))~~ services related to the facilitation of enrollment
20 in the federal supplemental security income program, access to chemical
21 dependency treatment, referrals to vocational rehabilitation, and other
22 services needed to assist the recipient in becoming employable.
23 ~~((Disability lifeline benefits shall not supplant cash assistance and~~
24 ~~other services provided through the temporary assistance for needy~~
25 ~~families program.))~~ To the greatest extent possible, services
26 ~~((shall))~~ must be funded through the temporary assistance for needy
27 families appropriations.

28 NEW SECTION. **Sec. 11.** The following acts or parts of acts are
29 each repealed:

30 (1) RCW 74.04.0052 (Teen applicants' living situation--Criteria--
31 Presumption--Protective payee--Adoption referral) and 2010 1st sp.s. c
32 8 s 18, 1997 c 58 s 502, & 1994 c 299 s 34;

33 (2) RCW 43.330.175 (Disability lifeline housing voucher program)
34 and 2010 1st sp.s. c 8 s 8;

35 (3) RCW 74.04.655 (Vocational rehabilitation--Assessment, referral)
36 and 2010 1st sp.s. c 8 s 5;

- 1 (4) RCW 74.50.010 (Legislative findings) and 1988 c 163 s 1 & 1987
2 c 406 s 2;
- 3 (5) RCW 74.50.011 (Additional legislative findings) and 1989 1st
4 ex.s. c 18 s 1;
- 5 (6) RCW 74.50.035 (Shelter services--Eligibility) and 1989 1st
6 ex.s. c 18 s 2;
- 7 (7) RCW 74.50.040 (Client assessment, treatment, and support
8 services) and 1987 c 406 s 5;
- 9 (8) RCW 74.50.050 (Treatment services) and 2002 c 64 s 1, 1989 1st
10 ex.s. c 18 s 5, 1988 c 163 s 3, & 1987 c 406 s 6;
- 11 (9) RCW 74.50.055 (Treatment services--Eligibility) and 1989 1st
12 ex.s. c 18 s 4;
- 13 (10) RCW 74.50.060 (Shelter assistance program) and 2010 1st sp.s.
14 c 8 s 31, 1989 1st ex.s. c 18 s 3, 1988 c 163 s 4, & 1987 c 406 s 7;
- 15 (11) RCW 74.50.070 (County multipurpose diagnostic center or
16 detention center) and 1987 c 406 s 8;
- 17 (12) RCW 74.50.080 (Rules--Discontinuance of service) and 1989 1st
18 ex.s. c 18 s 6 & 1989 c 3 s 2; and
- 19 (13) RCW 74.50.900 (Short title) and 1987 c 406 s 1.

20 NEW SECTION. **Sec. 12.** This act is necessary for the immediate
21 preservation of the public peace, health, or safety, or support of the
22 state government and its existing public institutions, and takes effect
23 March 1, 2011.

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