

SENATE BILL REPORT

SB 5876

As Reported by Senate Committee On:
Ways & Means, June 11, 2013

Title: An act relating to health care.

Brief Description: Relating to health care.

Sponsors: Senator Hill.

Brief History:

Committee Activity: Ways & Means: 6/10/13, 6/11/13 [DPS, DNP, w/oRec].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5876 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hill, Chair; Nelson, Assistant Ranking Member; Bailey, Becker, Braun, Conway, Dammeier, Fraser, Hasegawa, Hewitt, Keiser, Kohl-Welles, Ranker, Rivers, Schoesler and Tom.

Minority Report: Do not pass.

Signed by Senator Padden.

Minority Report: That it be referred without recommendation.

Signed by Senator Parlette.

Staff: Mich'l Needham/Michael Bezanson (786-7442/786-7449)

Background: Medicaid is a federal-state partnership that provides an array of programs including medical care services, mental health services, long-term care services and support, and substance abuse and chemical dependency treatment. The Health Care Authority (HCA) is designated as the single-state agency for Medicaid, with responsibility for the medical programs. Other programs are coordinated with the Department of Social and Health Services (DSHS).

The array of Medicaid programs are available for specific eligibility categories, with mandatory and optional categories defined in federal law. Eligibility categories include persons that are aged, blind, and disabled; pregnant women; low-income children and their parents; foster children; and others. Over 50 Medicaid medical programs exist, serving

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approximately 1.2 million enrollees, of which 740,000 are children. Approximately 65 percent of the population is enrolled in managed care plans.

The federal Affordable Care Act included a number of changes for the Medicaid program, including streamlining of the eligibility process, with application of a modified adjusted gross income that will be applied to many existing programs and a new category of adults known as the expansion population. The expansion population includes adults ages 19 to 65 with incomes below 133 percent of the federal poverty level – approximately \$14,856 per year for an individual, that are not otherwise eligible for Medicaid or Medicare. Enhanced federal funding is available to fund the new adults, starting with 100 percent in 2014, gradually declining to 90 percent in 2020. The Urban Institute estimates 494,000 adults may be newly eligible in Washington, and they estimated 250,000 of the newly eligible will enroll if an expansion is implemented.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Substitute): The HCA is authorized to implement the optional Medicaid expansion program consistent with the budget appropriations.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: CON: We asked our membership whether Medicaid should be expanded and the vast majority said that the state should not. There is concern over whether the federal government will keep its promise and pay their share. Additionally there are not enough doctors or capacity to take the new patients expected to enroll. We encourage the Senate to look at a premium assistance program.

Persons Testifying: CON: Patrick Connor, National Federal of Independent Business.