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HOUSE BILL 2594

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State of Washington

63rd Legislature

2014 Regular Session

By Representatives Riccelli, Jinkins, Cody, Moscoso, Morrell, Fitzgibbon, Ryu, Tarleton, Farrell, Van De Wege, Robinson, Habib, Ormsby, Tharinger, Freeman, Walkinshaw, Hudgins, Gregerson, Pettigrew, Reykdal, Roberts, Carlyle, Moeller, Stanford, Goodman, Seaquist, Appleton, Clibborn, Bergquist, Kagi, Sells, Pollet, and Green

Read first time 01/22/14. Referred to Committee on Health Care & Wellness.

1 AN ACT Relating to developing and authorizing the federal basic  
2 health program; adding a new section to chapter 70.47 RCW; and creating  
3 a new section.

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

5 NEW SECTION. **Sec. 1.** (1) The federal patient protection and  
6 affordable care act, section 1331 of P.L. 111-148 of 2010, provides  
7 states the option to establish a federal basic health program for  
8 individuals with incomes up to two hundred percent of the federal  
9 poverty level who are not eligible for coverage under medicaid. States  
10 electing to operate a basic health program may receive federal funding  
11 equal to ninety-five percent of the amount of the premium tax credits  
12 and cost-sharing reductions that would have been available had the  
13 eligible individual obtained coverage through the exchange.

14 (2) The United States department of health and human services has  
15 proposed regulations for the development of the basic health program,  
16 including the development of a basic health blueprint for certification  
17 by the centers for medicare and medicaid services that will grant  
18 states operational authority for the program.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 70.47 RCW  
2 to read as follows:

3        (1) The health care authority must develop a blueprint for the  
4 establishment of a federal basic health program, consistent with  
5 requirements established in 42 C.F.R. Part 144. In preparation for the  
6 blueprint, the authority must begin the necessary econometric modeling  
7 to analyze the program enrollment, and the costs and impacts to the  
8 state, the enrollees, and the insurance marketplace. The blueprint  
9 must be submitted to the governor for signature and submission to the  
10 centers for medicare and medicaid services for review and  
11 certification. The blueprint must be submitted by a date that allows  
12 for enrollment in the program to begin on October 1, 2015, and coverage  
13 to begin on January 1, 2016.

14        (2) The blueprint is the policy framework for the program and must  
15 identify the standards and requirements in 42 C.F.R. Part 144. At a  
16 minimum, the blueprint must address the following:

17        (a) The program eligibility as established in federal law;

18        (b) The essential health benefits under the federal basic health  
19 plan;

20        (c) Assurance that enrollee premiums and cost sharing will not  
21 exceed the amounts basic health plan enrollees would have paid in the  
22 exchange;

23        (d) Core administrative procedures such as eligibility  
24 determinations using the single streamlined applications, enrollment,  
25 disenrollment and nonpayment of premiums, eligibility appeals, consumer  
26 assistance, data collection and reporting, and extending essential  
27 protections to American Indians and Alaska Natives;

28        (e) Fiscal policies and accountability procedures;

29        (f) A competitive process to contract with standard health plans;

30        (g) Basic health plan trust fund trustees;

31        (h) The operational agency responsible for program administration,  
32 operations, and financial oversight;

33        (i) A funding plan that identifies the funding sources, if any  
34 beyond the basic health plan trust fund, and that identifies the  
35 enrollment and cost projections for the first twelve months of  
36 operation and the funding sources; and

37        (j) Other requirements articulated in a final regulation.

1           (3) The blueprint must be developed with stakeholder engagement,  
2 including tribal consultation and public comment.

3           (4) In tandem with the program design, the authority, in  
4 consultation with the health benefit exchange and other impacted  
5 programs, must identify the system design requirements to implement and  
6 operate a federal basic health program, and develop an initial system  
7 project timeline and funding estimate. The initial timeline and  
8 funding estimate must be shared with the fiscal committees of the  
9 legislature. Subject to appropriation, the system design work may  
10 begin with preliminary certification from the centers for medicare and  
11 medicaid services.

12          (5) Upon certification by the federal centers for medicare and  
13 medicaid services, the blueprint for the federal basic health program  
14 is the operational authority for the program, documenting all program  
15 requirements and obligations. The authority is authorized to operate  
16 the program in accordance with the federal law and regulations captured  
17 in 42 C.F.R. Part 144.

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