
SENATE BILL 5914

State of Washington

63rd Legislature

2013 Regular Session

By Senator Parlette

Read first time 04/18/13. Referred to Committee on Ways & Means.

1 AN ACT Relating to a medicaid waiver for premium assistance to
2 purchase market-based exchange coverage for medicaid-eligible adults
3 and children; adding a new section to chapter 74.09 RCW; and creating
4 a new section.

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

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that the centers
7 for medicare and medicaid services recently released draft regulations
8 which provide an opportunity for states to use medicaid funding to
9 purchase coverage for eligible beneficiaries in the individual market
10 through the health benefit exchange.

11 (2) Premium assistance enables individuals to stay with the same
12 health plan and same provider network as their income fluctuates above
13 and below medicaid eligibility levels. Churning, the cycle of losing
14 and regaining medicaid insurance coverage due to income changes, can be
15 disruptive and generate economic, social, and health costs. Premium
16 assistance can provide a seamless continuum of insurance affordability
17 programs for individuals with incomes below four hundred percent of the
18 federal poverty level who will experience frequent income changes that
19 impact eligibility for the insurance programs.

1 (3) Premium assistance can provide medicaid beneficiaries the same
2 access to providers as privately insured individuals by giving them
3 access to the commercial market, while at the same time ensuring
4 providers are paid market rates for individuals.

5 (4) Premium assistance has been available for states to use the
6 medicaid program to wrap around employer coverage for an employed
7 individual who is also eligible for medicaid, and for enrollees in the
8 children's health insurance program. Premium assistance in the
9 medicaid program has required states provide enrollees with all the
10 benefits an enrollee is entitled to under medicaid and ensure the cost-
11 sharing does not exceed the federal medicaid rules.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.09 RCW
13 to read as follows:

14 (1) The authority shall submit a waiver request to the federal
15 centers for medicare and medicaid to implement a targeted premium
16 assistance program for the expansion adults, identified in section
17 1902(a)(1)(A)(i)(VIII), of the social security act, with incomes above
18 one hundred percent of the federal poverty level, and for children
19 covered in the children's health insurance program with incomes above
20 two hundred percent of the federal poverty level, with a goal of
21 providing seamless coverage through the health benefit exchange and
22 improving opportunities for families to be covered in the same health
23 plan. The waiver request must include the possibility of applying
24 premiums for individuals and cost-sharing that may exceed the five
25 percent of family income required in federal law.

26 (2) A progress report on the research and analysis must be
27 submitted to the legislature and the governor by October 1, 2014, with
28 a detailed project plan and timeline. If cost-effectiveness can be
29 demonstrated for the state, a formal waiver proposal must be submitted
30 with the goal of implementation by January 1, 2016. The delayed
31 implementation date may allow the programming and operational changes
32 that will be required for the health benefit exchange and other
33 enrollment and eligibility operations.

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