H-2154.1

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SUBSTITUTE HOUSE BILL 1967**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 64th Legislature 2015 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Cody, Schmick, and Jinkins)

AN ACT Relating to creating flexibility in health care coverage by seeking federal waivers; and creating new sections.

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

NEW SECTION. **Sec.**  (1) The legislature finds that the affordable care act encourages states to develop innovative approaches to covering their residents by authorizing states to apply for waivers from the requirements of federal law. States that are granted innovation waivers may receive federal assistance to operate their reform programs in an amount that is equivalent to the aggregate amount of tax credits and cost-sharing subsidies that the federal government would have paid for individuals enrolled in state health insurance exchanges. In addition, section 1115 of the social security act authorizes the secretary of health and human services to approve experimental, pilot, or demonstration projects that promote the objectives of the medicaid and CHIP programs while giving states additional flexibility to design and improve their programs.

(2) The legislature further finds that Washington has a history of innovation in encouraging state residents to obtain health care coverage. With an opportunity to waive certain provisions of federal law, the state may be able to create more effective solutions for providing affordable health coverage to Washington residents.

(3) The legislature therefore intends to direct the health care authority to apply for a waiver to permit the state to innovatively expand health care coverage and reduce health care costs.

NEW SECTION. **Sec.**  (1)(a) By January 1, 2016, the health care authority shall apply to the federal government for a waiver to:

(i) Permit employers in this state to integrate employer health care arrangements, such as health reimbursement arrangements and employer payment plans, with individual market policies; and

(ii) Authorize alternative structures for enrollee eligibility, provider payment, and plan design for those participating in medical assistance to tailor the program to the needs of Washington residents.

(b) In preparing the application, the health care authority shall provide a process for public notice and comment.

(2) Upon receipt of the waiver, the health care authority shall promptly notify in writing the governor and the appropriate committees of the legislature.

(3) The health care authority shall provide status reports to the joint select committee on health care oversight, as requested by the committee.

NEW SECTION. **Sec.**  If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2015, in the omnibus appropriations act, this act is null and void.

**--- END ---**