S-1322.2

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**SUBSTITUTE SENATE BILL 5142**

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

**By** Senate Health Care (originally sponsored by Senators Becker, Bailey, Rivers, Brown, and Keiser)

AN ACT Relating to the health benefit exchange aggregation of funds and collection of data; amending RCW 43.71.030; adding a new section to chapter 43.71 RCW; creating a new section; and providing an effective date.

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

**Sec.**  RCW 43.71.030 and 2012 c 87 s 4 are each amended to read as follows:

(1) The exchange may, consistent with the purposes of this chapter: (a) Sue and be sued in its own name; (b) make and execute agreements, contracts, and other instruments, with any public or private person or entity; (c) employ, contract with, or engage personnel; (d) pay administrative costs; (e) accept grants, donations, loans of funds, and contributions in money, services, materials or otherwise, from the United States or any of its agencies, from the state of Washington and its agencies or from any other source, and use or expend those moneys, services, materials, or other contributions; and (f) ((~~aggregate or delegate the aggregation of funds that comprise the premium for a health plan; and (g)~~)) complete other duties necessary to begin open enrollment in qualified health plans through the exchange beginning October 1, 2013.

(2) The board shall develop a methodology to ensure the exchange is self-sustaining after December 31, 2014. The board shall seek input from health carriers to develop funding mechanisms that fairly and equitably apportion among carriers the reasonable administrative costs and expenses incurred to implement the provisions of this chapter. The board shall submit its recommendations to the legislature by December 1, 2012. If the legislature does not enact legislation during the 2013 regular session to modify or reject the board's recommendations, the board may proceed with implementation of the recommendations.

(3) The board shall establish policies that permit city and county governments, Indian tribes, tribal organizations, urban Indian organizations, private foundations, and other entities to pay premiums on behalf of qualified individuals.

(4) The employees of the exchange may participate in the public employees' retirement system under chapter 41.40 RCW and the public employees' benefits board under chapter 41.05 RCW.

(5) Qualified employers may access coverage for their employees through the exchange for small groups under section 1311 of P.L. 111-148 of 2010, as amended. The exchange shall enable any qualified employer to specify a level of coverage so that any of its employees may enroll in any qualified health plan offered through the small group exchange at the specified level of coverage.

(6) The exchange shall report its activities and status to the governor and the legislature as requested, and no less often than annually.

(7) Except for the small business health options program, the exchange shall not aggregate or delegate the aggregation of funds that comprise the premium for any enrollee.

NEW SECTION. **Sec.**  A new section is added to chapter 43.71 RCW to read as follows:

(1) The exchange must capture detailed enrollment and demographic data for enrollment processed for qualified health plans and medicaid plans, and post monthly enrollment reports to the web page. Detailed enrollment information must include the following statewide and county-level enrollment for qualified health plans and medicaid: Enrollment by income bands measured by federal poverty level, 0-138%, 138-150%, 150-200%, 200-250%, 250-400%, and above; enrollment by county, by health plan, and by gender, race, language, and age.

(2) The exchange must also provide this detail for reports on changes that cause medicaid and health benefit exchange plan enrollees to lose eligibility or move between coverage as follows:

(a) Monthly reports that detail the movement of enrollment between health benefit exchange plans and medicaid based on contributing factors that can be determined from health benefit exchange data including pregnancy, family and individual income changes, and other changes of circumstances.

(b) Twice yearly reports, end of second and fourth quarters, that analyze enrollment changes using survey or additional data, which must provide information about movement of enrollment between health benefit exchange plans and medicaid and gaps in coverage based on contributing factors that include incarceration, issues with affordability, and offers of employer-sponsored insurance. All survey and other primary data collection activities used to provide information must be representative of the Washington state residents and priority subpopulations (such as county, race/ethnicity, age, etc.) through the use of appropriate sampling methods.

(3) The exchange must ensure the qualified health plans report data back to the exchange on enrollees that may enter the grace period as defined in RCW 48.43.039 and P.L. 111-148 of 2010, as amended.

NEW SECTION. **Sec.**  (1) The exchange, jointly with the office of the insurance commissioner and the health care authority, must monitor the process of moving the payment function out of the exchange with the goal of promoting a successful transition for consumers who will use the exchange to enroll in a health plan in the 2016 plan year and beyond.

(2) The three agencies identified in subsection (1) of this section must provide a brief status report to the joint select committee on health care oversight by June 2015 or at the next regularly scheduled meeting.

NEW SECTION. **Sec.**  Sections 1 and 2 of this act take effect January 1, 2016.

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