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**SUBSTITUTE HOUSE BILL 2021**

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

**By House Health Care & Wellness (originally sponsored by Representatives Riccelli, Parker, Cody, Holy, Ormsby, and Muri)**

READ FIRST TIME 02/20/15.

1            AN ACT Relating to the prescription drug assistance foundation;  
2 and amending RCW 41.05.550.

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

4            **Sec. 1.** RCW 41.05.550 and 2008 c 87 s 1 are each amended to read  
5 as follows:

6            (1) The definitions in this subsection apply throughout this  
7 section unless the context clearly requires otherwise.

8            (a) "Federal poverty level" means the official poverty level  
9 based on family size established and adjusted under section 673(2) of  
10 the omnibus budget reconciliation act of 1981 (P.L. 97-35; 42 U.S.C.  
11 Sec. 9902(2), as amended).

12            (b) "Foundation" means the prescription drug assistance  
13 foundation established in this section, a nonprofit corporation  
14 organized under the laws of this state to provide assistance in  
15 accessing prescription drugs to qualified uninsured individuals.

16            (c) "Health insurance coverage including prescription drugs"  
17 means prescription drug coverage under a private insurance plan,  
18 including a plan offered through the health benefit exchange under  
19 chapter 43.71 RCW, the medicaid program, the state children's health  
20 insurance program ("SCHIP"), the medicare program, the basic health

1 plan, or any employer-sponsored health plan that includes a  
2 prescription drug benefit.

3 (d) "Qualified uninsured individual" means an uninsured person or  
4 an underinsured person who is a resident of this state and (~~has an~~  
5 ~~income below three hundred percent of the federal poverty level~~)  
6 whose income meets financial criteria established by the foundation.

7 (e) "Underinsured" means an individual who has health insurance  
8 coverage including prescription drugs, but for whom the prescription  
9 drug coverage is inadequate for their needs.

10 (f) "Uninsured" means an individual who lacks health insurance  
11 coverage including prescription drugs.

12 (2)(a) The administrator shall establish the foundation as a  
13 nonprofit corporation, organized under the laws of this state. The  
14 foundation shall assist qualified uninsured individuals in obtaining  
15 prescription drugs at little or no cost.

16 (b) The foundation shall be administered in a manner that:

17 (i) Begins providing assistance to qualified uninsured  
18 individuals by January 1, 2006;

19 (ii) Defines the population that may receive assistance in  
20 accordance with this section; and

21 (iii) Complies with the eligibility requirements necessary to  
22 obtain and maintain tax-exempt status under federal law.

23 (c) The board of directors of the foundation consists of up to  
24 eleven with a minimum of five members appointed by the governor to  
25 staggered terms of three years. The governor shall select as members  
26 of the board individuals who (i) will represent the interests of  
27 persons who lack prescription drug coverage; and (ii) have  
28 demonstrated expertise in business management and in the  
29 administration of a not-for-profit organization.

30 (d) The foundation shall apply for and comply with all federal  
31 requirements necessary to obtain and maintain tax-exempt status with  
32 respect to the federal tax obligations of the foundation's donors.

33 (e) The foundation is authorized, subject to the direction and  
34 ratification of the board, to receive, solicit, contract for,  
35 collect, and hold in trust for the purposes of this section,  
36 donations, gifts, grants, and bequests in the form of money paid or  
37 promised, services, materials, equipment, or other things tangible or  
38 intangible that may be useful for helping the foundation to achieve  
39 its purpose. The foundation may use all sources of public and private

1 financing to support foundation activities. No general fund-state  
2 funds shall be used for the ongoing operation of the foundation.

3 (f) No liability on the part of, and no cause of action of any  
4 nature, shall arise against any member of the board of directors of  
5 the foundation or against an employee or agent of the foundation for  
6 any lawful action taken by them in the performance of their  
7 administrative powers and duties under this section.

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