

**RCW 74.60.005 Purpose—Findings—Intent. (Contingent expiration date.)** (1) The purpose of this chapter is to provide for a safety net assessment on certain Washington hospitals, which will be used solely to augment funding from all other sources and thereby support additional payments to hospitals for medicaid services as specified in this chapter.

(2) The legislature finds that federal health care reform will result in an expansion of medicaid enrollment in this state and an increase in federal financial participation.

(3) In adopting this chapter, it is the intent of the legislature:

(a) To impose a hospital safety net assessment to be used solely for the purposes specified in this chapter;

(b) To generate approximately one billion dollars per state fiscal biennium in new state and federal funds by disbursing all of that amount to pay for medicaid hospital services and grants to certified public expenditure and critical access hospitals, except costs of administration as specified in this chapter, in the form of additional payments to hospitals and managed care plans, which may not be a substitute for payments from other sources, but which include quality improvement incentive payments under RCW 74.09.611;

(c) To generate two hundred ninety-two million dollars per biennium during the 2021-2023 and 2023-2025 biennia in new funds to be used in lieu of state general fund payments for medicaid hospital services;

(d) That the total amount assessed not exceed the amount needed, in combination with all other available funds, to support the payments authorized by this chapter;

(e) To condition the assessment on receiving federal approval for receipt of additional federal financial participation and on continuation of other funding sufficient to maintain aggregate payment levels to hospitals for inpatient and outpatient services covered by medicaid, including fee-for-service and managed care, at least at the rates the state paid for those services on July 1, 2015, as adjusted for current enrollment and utilization; and

(f) For each of the two biennia starting with fiscal year 2022 to generate:

(i) Four million dollars for new integrated evidence-based psychiatry residency program slots that did not receive state funding prior to 2016 at the integrated psychiatry residency program at the University of Washington; and

(ii) Eight million two hundred thousand dollars for family medicine residency program slots that did not receive state funding prior to 2016, as directed through the family medicine residency network at the University of Washington, for slots where residents are employed by hospitals. [2021 c 255 s 1; 2019 c 318 s 1; 2017 c 228 s 1; 2015 2nd sp.s. c 5 s 1; 2013 2nd sp.s. c 17 s 1; 2010 1st sp.s. c 30 s 1.]

**Effective date—2019 c 318:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2019." [2019 c 318 s 9.]

**Effective date—2017 c 228:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or

support of the state government and its existing public institutions, and takes effect July 1, 2017." [2017 c 228 s 15.]

**Effective date—2015 2nd sp.s. c 5:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [June 30, 2015]." [2015 2nd sp.s. c 5 s 12.]

**Effective date—2013 2nd sp.s. c 17:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [June 30, 2013]." [2013 2nd sp.s. c 17 s 20.]

**RCW 74.60.005 Purpose—Findings—Intent. (Contingent effective date.)** (1) The purpose of this chapter is to establish a safety net program, including an assessment on certain nongovernmental medicaid prospective payment system hospitals and critical access hospitals and an allowance for intergovernmental transfers for designated public hospitals, which will be used solely as specified in this chapter to maintain and improve equity of access to and quality of care of hospital services for medicaid clients, including those served by managed care organizations.

(2) The legislature finds that the program established by this chapter will allow the state to more fully realize the benefits of increased federal financial participation in the medicaid program and to address expanded medicaid enrollment resulting from federal health care reform, thereby benefiting medicaid clients.

(3) In adopting this chapter, it is the intent of the legislature:

(a) To condition the assessment as specified in RCW 74.60.150, including: (i) Receipt and continuation of federal approval for payment of additional federal financial participation to support the payments provided for in RCW 74.60.100 through 74.60.130; and (ii) continuation of funding from the state general fund sufficient to maintain aggregate payment levels to hospitals for inpatient and outpatient services covered by medicaid, including fee-for-service and managed care, at least at the rates the state paid for those services on July 1, 2022, as adjusted for current enrollment and utilization;

(b) That funds generated by the assessment will be matched with federal dollars whenever possible to achieve the maximum level of benefits, and that the total amount assessed under this chapter not exceed the amount needed, in combination with all other available funds, to support the payments authorized by this chapter;

(c) That upon satisfaction of the applicable conditions in RCW 74.60.090, the designated public hospitals will be able to receive additional federal matching funds, used only for the purposes specified in this chapter. [2023 c 430 s 1; 2021 c 255 s 1; 2019 c 318 s 1; 2017 c 228 s 1; 2015 2nd sp.s. c 5 s 1; 2013 2nd sp.s. c 17 s 1; 2010 1st sp.s. c 30 s 1.]

**Contingent effective date—2023 c 430:** "(1) Sections 1 through 7 and 9 through 16 of this act take effect when the conditions specified

in RCW 74.60.150(1) are satisfied, but no earlier than January 1, 2024.

(2) Section 8 of this act takes effect when the conditions specified in that section are satisfied, but no earlier than January 1, 2024.

(3) Until the provisions of this act become effective, chapter 74.60 RCW remains in effect, provided that:

(a) Failure to satisfy the conditions specified in section 8 of this act shall not prevent the remainder of this act taking effect; and

(b) In all events, payments under RCW 74.60.090(1)(a)(i), but not RCW 74.60.090(1)(a)(ii) through [and] (iii), and (b) shall cease December 31, 2023.

(4) The authority shall provide written notice of the effective date of each occurrence in subsection (1) of this section to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the authority." [2023 c 430 s 18.]

**Effective date—2019 c 318:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2019." [2019 c 318 s 9.]

**Effective date—2017 c 228:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017." [2017 c 228 s 15.]

**Effective date—2015 2nd sp.s. c 5:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [June 30, 2015]." [2015 2nd sp.s. c 5 s 12.]

**Effective date—2013 2nd sp.s. c 17:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [June 30, 2013]." [2013 2nd sp.s. c 17 s 20.]