



Legislation Text

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Clerk 02/06/2014

AN ORDINANCE authorizing the execution of an interlocal agreement between King County, the city of Seattle and the state of Washington regarding participation in a demonstration project of a financially and clinically integrated care model.

STATEMENT OF FACTS:

1. On April 25, 2012, the Washington state Department of Social and Health Services, Aging and Disability Services Administration, and the Washington state Health Care Authority jointly submitted a proposal, titled HealthPath Washington, to the Centers for Medicare and Medicaid Services to create a model that improves the quality, coordination and cost-effectiveness of the Medicare and Medicaid system for individuals eligible for both Medicare and Medicaid.
2. The HealthPath Washington proposal includes a strategy that provides a financially integrated model in which medical, mental health, substance abuse and long-term care services would be purchased through a managed care organization for individuals dually eligible for both Medicaid and Medicare.
3. Approximately thirty-six thousand one hundred fifteen individuals in King County are eligible for both Medicare and Medicaid.
4. The mental health, chemical abuse and dependency services division of the department of community and human services provides mental health and chemical dependency services through a contract with the state to approximately five thousand persons in King County eligible

for both Medicare and Medicaid.

5. The city of Seattle Aging and Disability Services, Area Agency on Aging, provides case management services through a contract with the state to approximately eight thousand persons eligible for both Medicare and Medicaid in King County.

6. The 2012 Washington state supplemental budget, Section 201(3)(b), Laws of Washington 2012 2nd Sp. Sess., provides that participation in the HealthPath demonstration project shall be limited to persons who are eligible for both Medicare and Medicaid who voluntarily elect to enroll in the demonstration project and to counties in which the county legislative authority has agreed to the terms and conditions under which the project will operate.

7. On September 4, 2012, the King County council passed Motion 13716, supporting the executive's negotiation of potential participation in a demonstration project of a financially integrated care model for individuals eligible for both Medicare and Medicaid in which medical, mental health, substance abuse and long-term care services would be purchased through a managed care organization.

8. On February 4, 2013, the council passed Ordinance 17520 authorizing the executive to sign an interlocal agreement between the state, the county and the city of Seattle. The interlocal agreement: defined the role of the county in the demonstration project; established a project implementation team to which the county designated two members and the city designated one member; described the agreed-upon financial terms that would impact the county budget throughout the duration of the demonstration project; but made the county's participation in the demonstration project contingent upon council and executive approval of the three-way contract between the Centers for Medicare and Medicaid Services, the state and the health plans related to the demonstration project.

10. In July 2013, the state, in partnership with county and city representatives, selected two

health plans as potentially successful bidders to implement the duals demonstration project in King County - United Healthcare and Regence.

11. On November 27, 2013, the state signed a memorandum of understanding with the Centers for Medicare and Medicaid Services that details the terms and conditions under which the demonstration project will operate.

12. The attached interlocal agreement, Attachment A to this ordinance, reflects the current status of the demonstration project based on ongoing negotiations and details described in the memorandum of understanding. The attached agreement removes the requirement that the council and the executive approve the three-way contracts among the Centers for Medicare and Medicaid Service, the state and the health plans and replaces the previous agreement authorized in February 2013 through Ordinance 17520.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The executive is hereby authorized to execute an interlocal agreement with Washington state and the city of Seattle for continued participation in a demonstration project of a financially and clinically integrated care model in substantially the form of Attachment A to this ordinance.